

# MORROW COUNTY BOARD OF COMMISSIONERS MEETING AGENDA

Wednesday, August 28, 2019 at 9:00 a.m.

Bartholomew Building Upper Conference Room

110 N. Court St., Heppner, Oregon

**AMENDED**

1. **Call to Order and Pledge of Allegiance - 9:00 a.m.**
2. **City/Citizen Comments:** Individuals may address the Board on issues not on the agenda
3. **Open Agenda:** The Board may introduce subjects not already on the agenda
4. **Consent Calendar**
  - a. Accounts Payable dated August 29<sup>th</sup>
  - b. Minutes: August 7<sup>th</sup>
  - c. Eleventh Amendment, Oregon Health Authority 2017-2019 Intergovernmental Agreement #153133 for the Financing of Mental Health, Substance Use Disorders and Problem Gambling Services
  - d. Vehicle Purchase, Planning Department
  - e. ~~Oregon Department of Education, Youth Development Division, Intergovernmental Agreement #12392~~ **Postponed**
5. **Public Hearing:** Strategic Investment Program Agreement, Orchard Wind Project
6. **Business Items**
  - a. Irrigon Building Update
  - b. Housing Strategies Report - Review & Discussion Leading to Adoption by Resolution (Carla McLane, Planning Director)
  - c. Second Amendment to Oregon Health Authority Intergovernmental Agreement #154659 for Environmental Health Services (Sheree Smith, Public Health Director)
  - d. Memorandum of Understanding between Pharmacies and Local Public Health Authorities (Sheree Smith)
7. **Department Reports**
  - a. Road Department Monthly Report (Matt Scrivner, Director)
8. **Correspondence**
9. **Commissioner Reports**
10. **Executive Session** – Pursuant to ORS 192.660(2)(e) – To conduct deliberations with persons designated by the governing body to negotiate real property transactions
11. **Signing of documents**
12. **Adjournment**

Agendas are available every Friday on our website ([www.co.morrow.or.us/boc](http://www.co.morrow.or.us/boc) under “Upcoming Events”). Meeting Packets can also be found the following Monday.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Roberta Lutchter at (541) 676-5613.

Pursuant to ORS 192.640, this agenda includes a list of the principal subjects anticipated to be considered at the meeting; however, the Board may consider additional subjects as well. This meeting is open to the public and interested citizens are invited to attend. Executive sessions are closed to the public; however, with few exceptions and under specific guidelines, are open to the media. The Board may recess for lunch depending on the anticipated length of the meeting and the topics on the agenda. If you have anything that needs to be on the agenda, please notify the Board office before noon of the preceding Friday. If something urgent comes up after this publication deadline, please notify the office as soon as possible. If you have any questions about items listed on the agenda, please contact Darrell J. Green, Administrator at (541) 676-2529.

**Morrow County Board of Commissioners Meeting Minutes**  
**August 7, 2019**  
**Bartholomew Building Upper Conference Room**  
**Heppner, Oregon**

**Present**

Chair Jim Doherty

Commissioner Melissa Lindsay

Darrell J. Green, Administrator

Kate Knop, Finance Director

Justin Nelson, County Counsel

Karmen Carlson, Human Resources Director

Roberta Lutchter, Executive Assistant

**Excused**

Commissioner Don Russell

**Call to Order & Pledge of Allegiance:** 9:03 a.m.

**City & Citizen Comments:**

Jerry Rietmann, Ella Resources

Mr. Rietmann discussed a notice from the Department of Defense to NextEra Energy Resources of presumed risks associated with the Wheatridge Wind Energy Project. Mr. Rietmann, who sold the Wheatridge Project to NextEra, said he wanted to make the County aware of the notice, which stated the project “will have an adverse impact on the Pendleton Weather Surveillance Radar operations conducted by the U.S. Air Force and the Fossil Common Air Route Surveillance Radar operated by the North American Aerospace Defense Command near Boardman...” The letter goes on to request NextEra enter into discussions of possible mitigation actions with the Department of the Air Force.

When similar issues were brought up early in the project, Mr. Rietmann said he hired a consultant with radar expertise to work through them with the military. NextEra has now engaged the same consultant who will meet next week with the Department of the Air Force and show them the chronology of events in the last seven years in order to resolve this, once again.

Mr. Rietmann discussed the timeline for the project and said he feared “they will run the clock out on us...and this won’t be a project.” He said the Governor received a copy of the notice and has the right to respond. If needed, he suggested Morrow County coordinate a response with the Governor’s Office.

After a brief discussion, Chair Doherty thanked Mr. Rietmann for his comments and asked him to keep the Board updated.

**Open Agenda:** A discussion was requested regarding the status of the HK Complex Fire.

**Consent Calendar**

Chair Doherty commented on the late addition to the agenda of Permit Application #OOL and removed it to be placed on next week’s agenda to further vet the application.

Commissioner Lindsay removed the July 17<sup>th</sup> minutes for placement on next week's agenda to allow for revision and asked that the Vector Control District appointments be moved to Business Items.

*Commissioner Lindsay moved to approve the remaining items in the Consent Calendar:*

- 1. Two Accounts Payable, August 1<sup>st</sup>, \$62,610.10 & August 8<sup>th</sup>, \$136,898.74; Three Payroll Payables -- July 29<sup>th</sup>, \$193,641.08; July 31<sup>st</sup>, \$170,166.97 & \$3,125*
- 2. Minutes: June 26<sup>th</sup>, July 3<sup>rd</sup>, July 10<sup>th</sup>, July 24<sup>th</sup>*
- 3. To take no action, thereby allowing favorable recommendations to the Oregon Liquor Control Commission for the following annual liquor license renewal applications: Love's Travel Stop #650, Boardman; and Willow Run Golf Course, Boardman*
- 4. Resolution No. R-2019-17: A Resolution Adopting the Morrow County Community Wildfire Protection Plan Update and Incorporating said Plan into the Natural Hazard Mitigation Plan Wildfire Annex*
- 5. Plat of Tuscany at Boardman, Phase 2: A Replat of Lot 15, Plat of Tuscany at Boardman and Replat of Lot 23, Plat of Juniper Ridge No. 1, Located in the NW ¼ of the SW ¼ of Section 16 & the NE ¼ of the SE ¼ of Section 17, Township 4 North, Range 25 East, W.M., City of Boardman, Morrow County; Owners: Boardman Development, LLC and Maughan Et Al, LLC*

*Chair Doherty seconded. Unanimous approval.*

#### North Morrow Vector Control District

Commissioner Lindsay noticed the two requests for reappointment to the North Morrow Vector Control District included signed oaths of office, indicating they were already sworn-in as members. She commented that should take place after the official appointment by the Board of Commissioners.

*Commissioner Lindsay moved to approve the following appointments to the North Morrow Vector Control District Board:*

- 1. Roger Trueax, Irrigon; term to be August 7, 2019-August 7, 2023*
- 2. Glenn Maret, Irrigon; term to be August 7, 2019-August 7, 2023*

*Chair Doherty seconded. Unanimous approval.*

#### **Department Reports**

##### Treasurer's Monthly Report

The written report submitted by Treasurer Gayle Gutierrez was reviewed.

#### **Business Items**

##### Discussion Regarding Partition Plat Title Research Requirement

Mike Gorman, Assessor/Tax Collector

Stephen Haddock, County Surveyor

During Mr. Haddock's quarterly report in April, the issue of title research for partition plats was discussed. He explained the County's Subdivision Ordinance requires title research accompany

subdivision requests but it does not make the same requirement for partition plats. Of concern to both Mr. Haddock and Mr. Gorman was the amount of time it takes for their offices to research aspects of the history (ownership, easements, etc.) when a partition plat is submitted for review. Mr. Haddock asked the Board if the Ordinance could be amended to require title research, or if he could require it through policy. At that April meeting, the Commissioners asked Mr. Haddock and Mr. Gorman to provide a report as to what other counties require.

Mr. Gorman and Mr. Haddock provided that report and discussed the results of their research: 21 counties responded; seven counties require title research through ordinance; 14 require it through some form of a policy, either at the county level or by the surveyor's office.

During the discussion of options, it was brought up that more than just this ordinance would need to be updated. The Board agreed to require title research for partition plats, by policy, while staff undertakes the process to update the relevant ordinances, which could take up to 18 months.

#### Purchase Pre-Authorization Request – Software Program for Sheriff's Office Civil Unit

Civil Sergeant Ivy Zimmerman-Adams

Civil Deputy Erik Patton

Sheriff's Office personnel discussed the outdated software program currently in use that can no longer be updated; the bid process undertaken; and the advantages of the recommended company's contract and software program. Discussion.

*Commissioner Lindsay moved to approve the Purchase Pre-Authorization Request for a Civil Unit software program from Zuercher Technologies, LLC in the amount of \$41,796, as well as the Software License & Service Agreement. Maintenance and support included for the first year, with subsequent years for maintenance and support to be: year two: \$5,174; year three: \$5,433; year four: \$5,704; year five: \$5,990. Chair Doherty seconded. Unanimous approval.*

#### Laurel Land Road Discussion

Darrell Green, Administrator

Mr. Green discussed recent correspondence with Boardman resident Ed Glenn about the naming of Laurel Road. He said Mr. Glenn expressed his disappointment that the road he dedicated to the County, Laurel Lane, now goes by Laurel Road. Mr. Green provided the Board with: the letters and other documentation provided by Mr. Glenn; the 1983 Road Dedication; Road Naming & Rural Addressing Ordinance No. MC-C-3-92; and related County Court Minutes. He said while researching this, the documents referenced the street in various ways – Laurel Lane, Laurel Road and Laurel Lane Road.

During the discussion:

- It was pointed out the Roadway Dedication originally dated May 18, 1983 stated, "Morrow County will name any roadway constructed on this dedication 'Laurel Lane.'" However, the dates were handwritten over with "April 1984" and "Lane" was replaced

with “Road” and initialed “DCM” for Donald C. McElligott, the County Judge at the time.

- It was explained the 1992 Road Naming & Rural Addressing Ordinance, among other things, stated “Roads running predominantly north-south shall be known as a ‘Road’...and Roads running predominantly east-west shall be known as a ‘Lane.’” Laurel Lane was changed to Laurel Road at that time.

Chair Doherty said he was sympathetic to the original deal that the street be named “Laurel Lane,” and Mr. Glenn later verbally agreed to “Laurel Lane Road,” but it was not memorialized in writing.

Various discussions ensued, including the County’s official procedure to change street names.

*Commissioner Lindsay moved to name the street “Laurel Lane Road” with the County being responsible for the process to change the name. Chair Doherty seconded. Discussion: County Counsel Justin Nelson noted the process will include public meetings. Chair Doherty said the name could ultimately change during the public process, and added he was in favor of designating lanes and roads uniformly throughout the County; Commissioner Lindsay agreed. Unanimous approval.*

**Break:** 11:13-11:20 a.m.

#### Justice of the Peace Vacancy Process

The process through the Governor’s Office to fill a Justice of the Peace vacancy was reviewed by Mr. Green. The Board had several questions about the extent to which the County should be involved and opted to gather additional information and then have a full discussion with Commissioner Russell present.

#### Irrigon Building Update

Mr. Green said the Request for Proposals and Request for Qualifications processes are underway. In addition, he discussed the public hearing of August 21<sup>st</sup> regarding the Progressive Design-Build exemption from competitive bidding requirements.

#### Bartholomew Building Lower Level Remodel Update

Mr. Green explained that after twice publicly seeking bids for the project, one bid was received. However, that bid exceeded the estimated cost of \$65,000-75,000. Mr. Green worked with the bidder to lower the bid from \$88,000 to \$77,629. He then received approval from the Deputy State Chief Procurement Officer that Morrow County could proceed with the bid of \$77,629.

*Commissioner Lindsay moved to award the bid for the Bartholomew Building Lower Level Remodel Project to Kirby Nagelhout in the amount of \$77,629. Chair Doherty seconded. Unanimous approval.*

## **Department Reports, continued**

### Administrator's Monthly Report

Mr. Green reviewed his report of activity for the month of July.

### Assessment & Tax Quarterly Report

Mike Gorman, Assessor/Tax Collector

Mr. Gorman's report included a Summary of Taxes Collected for Tax Year 2018-19 as of June 30, 2019; Summary of Uncollected Balances by Roll Type; and the Tax Account Foreclosure List. He also discussed activity by staff for the quarter.

### Sheriff's Office Monthly Report

The report submitted by the Sheriff's Office was reviewed.

### Finance Department Quarterly Report

Kate Knop, Finance Director

Ms. Knop review her report, which stated her efforts for the quarter focused on budget preparation, fiscal year-end close, new biennial contracts and retirement plan redesign. Tentative dates for Long Range Planning Work Sessions were presented (September 25<sup>th</sup>, October 16<sup>th</sup>, November 6<sup>th</sup>, December 18<sup>th</sup> and January 15<sup>th</sup>). She said the dates should allow all Department Directors the opportunity to be part of the work sessions.

### Discussion of HK Complex Fire

Chair Doherty asked for clarification on the process for basing firefighting operations on County property, such as is occurring at the OHV Park. The Oregon Department of Forestry and the U.S. Forest Service are staging assets there to fight the HK Complex Fire. He said the County is always happy to accommodate but he asked for a future discussion on the notification process and agreements needed or already in place.

## **Correspondence**

- Jerry Rietmann's email and attached letter from the Department of Defense to Ms. McLane and Commissioner Russell, as discussed under City and Citizen Comments at the beginning of today's meeting.
- Memorandum of Agreement between the Columbia Development Authority (CDA) and the Confederated Tribes of the Umatilla Indian Reservation; effective date April 1, 2019. A discussion transpired about the CDA, such as its origins, authorities, and involvement after the land is transferred. Commissioner Lindsay said Commissioner Russell, as Chair of the CDA Board of Directors, could answer many of the questions when he returned.

**Lunch break:** 12:19-1:30 p.m.

Commissioner Lindsay referred to the Resolution adopted earlier in the meeting, (Resolution No. R-2019-17: A Resolution Adopting the Morrow County Community Wildfire Protection Plan

Update and Incorporating said Plan into the Natural Hazard Mitigation Plan Wildfire Annex), and stated the Plan was a guidance document and the County did not open any roads via this Resolution; Ms. McLane and Public Works Director Matt Scrivner agreed.

### **Commissioner Reports**

- Commissioner Lindsay said she will request an upcoming agenda item to consider how the County wants to proceed with the Local Public Safety Coordinating Council (LPSCC) Coordinator position.
- Chair Doherty said the minutes of the meetings of the Columbia River Enterprise Zone II Board are still not available through the County website. He said he spoke to CREZ II Manager Greg Sweek about the importance of making them available as they are public meetings. He asked him to send them to the BOC Office's Executive Assistant, but that has not happened. Discussion.

**1:45 p.m. Executive Session** - Pursuant to ORS 192.660(2)(e) – To conduct deliberations with persons designated by the governing body to negotiate real property transactions

**2:02 p.m. Closed Executive Session** – No decisions

**2:03 p.m. Executive Session** - Pursuant to ORS 192.660(2)(g) – To consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations

**2:22 p.m. Closed Executive Session** – No decisions

**Signing of documents**

**Adjourned:** 2:28 p.m.





AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #
40

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Presenter at BOC: Kate Knop

Phone Number (Ext): (541) 676-5615 x5302

Department: Finance

Requested Agenda Date: 08/28/2019

Short Title of Agenda Item:

Oregon Health Authority Agreement # 153133, Amendment # 11

(No acronyms please)

This Item Involves: (Check all that apply for this meeting.)

- Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A

Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity: Oregon Health Authority

Contractor/Entity Address:

Effective Dates - From: July 1, 2017

Through: June 30, 2019

Total Contract Amount: No change

Budget Line: 101-199-3-30-3625

Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Department Director

Required for all BOC meetings

Signature: [Handwritten Signature]
DATE: 8/26/19
Administrator

Required for all BOC meetings

Signature: Justin Nelson via Email
DATE:
County Counsel

\*Required for all legal documents

Signature: [Handwritten Signature]
DATE: 8/20/19
Finance Office

\*Required for all contracts; other items as appropriate.

Human Resources

\*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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## **1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

The Oregon Health Authority (OHA) Agreement # 153133, eleventh amendment to the 2017-2019 Intergovernmental Agreement for the financing of mental health, substance use disorders, and problem gambling. The funds referenced in this agreement are passed through to Community Counseling Solutions (CCS).

This Financial Assistance Award amendment is for Residential Treatment Services for Service Element MHS 28 (Residential Mental Health Treatment Service for Adults) and are being awarded for Reserved Service Capacity Payment (RSCP) for one client at Columbia River Ranch.

Referenced in the amendment and attached for review is Exhibit F section 4 from the Agreement.

## **2. FISCAL IMPACT:**

These funds will continue to be received in the same line item and be disbursed to CCS from 101-199-5-50-5500, with a net zero effect on the budget.

## **3. SUGGESTED ACTION(S)/MOTION(S):**

Motion to authorize Chair Doherty to sign OHA Agreement # 153133, Amendment #11 on behalf of the County.

Attach additional background documentation as needed.

**From:** [Kristie Bingaman](#)  
**To:** [Deanne Irving](#)  
**Subject:** RE: 153133-10 Executed LMHA Agreement  
**Date:** Thursday, August 22, 2019 11:14:11 AM  
**Attachments:** [image001.png](#)

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**STOP and VERIFY - This message came from outside of Morrow County Government.**

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I'm sorry for the delay. Kimberly has been out of the office quite a bit this month. She will be back on Monday and will review it then and respond. If you need to have it signed this week she said to proceed without her review.

Thanks,  
Kristie

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**From:** Deanne Irving <[dirving@co.morrow.or.us](mailto:dirving@co.morrow.or.us)>  
**Sent:** Thursday, August 22, 2019 10:19 AM  
**To:** Kristie Bingaman <[kristie.bingaman@ccsemail.org](mailto:kristie.bingaman@ccsemail.org)>  
**Subject:** RE: 153133-10 Executed LMHA Agreement

**CAUTION:** This email originated from outside of the organization. Please be caution with links or attachments unless you recognize the sender and know the content is safe.

You are welcome. ☺ Did you or Kimberly have an opportunity to review the 11<sup>th</sup> amendment sent over previously? If you need it resent, please let me know and I'll be happy to send it over.

Thank you, Kristie!

**Deanne Irving**  
Staff Accountant  
Morrow County  
PO Box 867  
Heppner, OR 97836  
(541) 676-5617 ext 5312

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**From:** Kristie Bingaman [<mailto:kristie.bingaman@ccsemail.org>]  
**Sent:** Thursday, August 22, 2019 10:16 AM  
**To:** Deanne Irving <[dirving@co.morrow.or.us](mailto:dirving@co.morrow.or.us)>  
**Subject:** RE: 153133-10 Executed LMHA Agreement

**STOP and VERIFY - This message came from outside of Morrow County Government.**

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Thank you Deanne.  
Kristie

## Deanne Irving

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**From:** Justin Nelson  
**Sent:** Tuesday, August 20, 2019 9:40 AM  
**To:** Kate Knop; 'Kimberly I. Lindsay'  
**Cc:** Deanne Irving  
**Subject:** RE: Document for Signature: Document #153133-11 Morrow County  
**Attachments:** 153133-11 lob final.pdf

I have had a chance to review, and it appears to just be a small financial assistance part of the agreement. I do not have any concerns with this going before the BoC.

-Justin

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*Justin W. Nelson*  
*Morrow County District Attorney*  
*Morrow County Counsel*  
*100 S. Court St.*  
*P.O. Box 664*  
*Heppner, OR 97836*  
*Office: (541) 676-5626*  
*Fax: (541) 676-5660*  
*Email: [jnelson@co.morrow.or.us](mailto:jnelson@co.morrow.or.us)*

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**From:** Kate Knop  
**Sent:** Tuesday, August 20, 2019 9:35 AM  
**To:** Justin Nelson <[jnelson@co.morrow.or.us](mailto:jnelson@co.morrow.or.us)>; 'Kimberly I. Lindsay' <[kimberly.lindsay@communitycounselingsolutions.org](mailto:kimberly.lindsay@communitycounselingsolutions.org)>  
**Cc:** Deanne Irving <[dirving@co.morrow.or.us](mailto:dirving@co.morrow.or.us)>  
**Subject:** FW: Document for Signature: Document #153133-11 Morrow County  
**Importance:** High

Good morning,

We have received communication from the State that we need the eleventh amendment reviewed, approved, and returned by August 30, 2019. Can you please review this week so this can be presented to the BoC?

Please let me know if you have any questions.

Thank you,

**Kate Knop**  
Finance Director  
Morrow County  
P.O. Box 867  
Heppner, OR 97836  
541-676-5615 or x5302  
[kknop@co.morrow.or.us](mailto:kknop@co.morrow.or.us)

## Deanne Irving

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**From:** Deanne Irving  
**Sent:** Friday, August 9, 2019 8:31 AM  
**To:** 'Kimberly Lindsay - Community Counseling Solutions (kimberly.lindsay@ccsemail.org)';  
Kristie Bingaman  
**Cc:** Justin Nelson; Kate Knop  
**Subject:** FW: Document for Signature: Document #153133-11 Morrow County  
**Attachments:** 153133-11 lob final.pdf

Good morning, all,

Attached for your review is the Oregon Health Authority's eleventh amendment. Please reply all with any questions, comments or concerns.

Thank you!

### Deanne Irving

Staff Accountant  
Morrow County  
PO Box 867  
Heppner, OR 97836  
(541) 676-5617 ext 5312

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**From:** Briggs Larry O [mailto:LARRY.O.BRIGGS@dhsoha.state.or.us]  
**Sent:** Friday, August 9, 2019 7:36 AM  
**To:** Deanne Irving <dirving@co.morrow.or.us>; Kate Knop <kknop@co.morrow.or.us>  
**Cc:** ARMENDARIZ Carmen <Carmen.ARMENDARIZ@dhsoha.state.or.us>; AMHcontract Administrator <AMHcontract.Administrator@dhsoha.state.or.us>  
**Subject:** Document for Signature: Document #153133-11 Morrow County

**STOP and VERIFY - This message came from outside of Morrow County Government.**

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Greetings!

**First of all, to ensure timely processing of your contract/amendment, please reply to confirm receipt of this communication and attachment(s).**

Next, please complete, sign (where required) and return the following: Entire contact amendment (attached)

The signature block below has my return contact information, so feel free to contact me with any questions. Following your signature and return of these documents, OHA will obtain appropriate counter-signatures and then forward the fully executed document(s) to you for your records.

**Important Notice:** DHS and OHA no longer issue checks for contract services and supplies. To receive payments, contractors must enroll in Electronic Funds Transfer (EFT), also known as direct deposit. Enrolling in EFT is as easy as completing the Direct Deposit Authorization Form found at: [https://aixxweb1p.state.or.us/es\\_xweb/DHSforms/Served/me0189.doc](https://aixxweb1p.state.or.us/es_xweb/DHSforms/Served/me0189.doc).

Only one form is required per contractor, regardless of how many contracts you have with DHS or OHA. If you already have EFT set up for any type of payment, please do not send in another form. If you have questions regarding EFT, contact the EFT Coordinator at (503) 945-5710.

Thank you for your prompt attention and response!

**Larry O. Briggs, OPBC, OCAC**  
Contract Specialist  
DHS/OHA Shared Services, OC&P  
**635 Capitol St NE , STE 350**  
Salem, OR, 97301  
[larry.o.briggs@state.or.us](mailto:larry.o.briggs@state.or.us)  
503-945-6879





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**ELEVENTH AMENDMENT TO  
OREGON HEALTH AUTHORITY  
2017-2019 INTERGOVERNMENTAL AGREEMENT FOR THE FINANCING OF  
MENTAL HEALTH, SUBSTANCE USE DISORDERS, AND PROBLEM GAMBLING  
SERVICES AGREEMENT #153133**

This Eleventh Amendment to Oregon Health Authority 2017-19 Intergovernmental Agreement for the Financing of Community Mental Health, Substance Use Disorders, and Problem Gambling Services effective as of July 1, 2017 (as amended, the "Agreement"), is entered into, as of the date of the last signature hereto, by and between the State of Oregon, acting by and through its Oregon Health Authority ("OHA"), and **Morrow County** ("County").

**RECITALS**

WHEREAS, OHA and County wish to modify the Financial Assistance Award set forth in Exhibit C of the Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

**AGREEMENT**

1. The financial and service information in the Financial Assistance Award are hereby amended as described in Attachment 1 attached hereto and incorporated herein by this reference. Attachment 1 must be read in conjunction with the portion of Exhibit C of the Agreement that describes the effect of an amendment of the financial and service information.
2. Capitalized words and phrases used but not defined herein shall have the meanings ascribed thereto in the Agreement.
3. County represents and warrants to OHA that the representations and warranties of County set forth in section 4 of Exhibit F of the Agreement are true and correct on the date hereof with the same effect as if made on the date hereof.
4. Except as amended hereby, all terms and conditions of the Agreement remain in full force and effect.
5. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have executed this amendment as of the dates set forth below their respective signatures.

**6. Signatures.**

**Morrow County**

**By:**

\_\_\_\_\_  
Authorized Signature                      Printed Name                      Title                      Date

**State of Oregon acting by and through its Oregon Health Authority**

**By:**

\_\_\_\_\_  
Authorized Signature                      Printed Name                      Title                      Date

**Approved by: Director, OHA Health Systems Division**

**By:**

\_\_\_\_\_  
Authorized Signature                      Printed Name                      Title                      Date

**Approved for Legal Sufficiency:**

Approved by Steven Marlowe, Senior Assistant Attorney General, Department of Justice, Tax and Finance Section, on August 10, 2018; e-mail in contract file.

**OHA Program:**

Approved by Carmen Armendraz on August 1, 2019; e-mail in contract file.



**ATTACHMENT 1**  
**Exhibit C**  
**Financial Assistance Award**

MODIFICATION INPUT REVIEW REPORT

MOD#: M0576

CONTRACT#: 153133

CONTRACTOR: MORROW COUNTY

INPUT CHECKED BY: C.A. DATE CHECKED: 07/22/2019

SE#	FUND	CODE	CPMS	PROVIDER	EFFECTIVE DATES	SLOT CHANGE/TYPE	RATE	OPERATING DOLLARS	STARTUP PART DOLLARS ABC	PART IV	PAAF CD	BASE	CLIENT CODE	SP#	
FISCAL YEAR: 2018-2019															
	BASE	RESERVED SERVICE CAP													
28	804	RSCP			1/7/2019 - 1/14/2019	0 /NA	\$6,622.79	\$1,709.11	\$0.00	A	1	N	UMMACH-840626	1	
	BASE	RESERVED SERVICE CAP													
28	804	RSCP			1/20/2019 - 1/20/2019	0 /NA	\$6,622.79	\$213.64	\$0.00	A	1	N	TULACH-760727	1	
	BASE	RESERVED SERVICE CAP													
28	804	RSCP			3/25/2019 - 3/26/2019	0 /NA	\$6,622.79	\$427.28	\$0.00	A	1	N	RIZELE-590203	1	
	BASE	RESERVED SERVICE CAP													
28	804	RSCP			3/30/2019 - 4/17/2019	0 /NA	\$6,622.79	\$4,180.19	\$0.00	A	1	N	UMMARI-920116	1	
	TOTAL FOR SE# 28							\$6,530.22	\$0.00						
	TOTAL FOR 2018-2019							\$6,530.22	\$0.00						
	TOTAL FOR M0576 153133							\$6,530.22	\$0.00						

OREGON HEALTH AUTHORITY  
Financial Assistance Award Amendment (FAAA)

CONTRACTOR: MORROW COUNTY  
DATE: 07/23/2019

Contract#: 153133  
REF#: 011

REASON FOR FAAA (for information only):

Residential Treatment Services (MHS 28) funds are awarded for Reserved Service Capacity Payment (RSCP) for one client each at Columbia River Ranch, ref# 17-19-1588, 1621, 1673, 1734.

The following special condition(s) apply to funds as indicated by the special condition number in column 9. Each special condition set forth below may be qualified by a full description in the Financial Assistance Award.

M0576 1 For capacity in MHS 28 for which OHA has approved an exception to the utilization requirements described in the MHS 28 Service Description, OHA will provide financial assistance at the rate of \$6,622.79 per month.

**2017-2019 INTERGOVERNMENTAL AGREEMENT  
FOR THE FINANCING OF COMMUNITY MENTAL HEALTH, SUBSTANCE USE  
DISORDERS, AND PROBLEM GAMBLING SERVICES**

**EXHIBIT F  
STANDARD TERMS AND CONDITIONS**

1. **Governing Law, Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between the parties that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within a circuit court for the State of Oregon of proper jurisdiction. THE PARTIES, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENT TO THE IN PERSONAM JURISDICTION OF SAID COURTS. Except as provided in this section, neither party waives any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. The parties acknowledge that this is a binding and enforceable agreement and, to the extent permitted by law, expressly waive any defense alleging that either party does not have the right to seek judicial enforcement of this Agreement.
2. **Compliance with Law.** Both parties shall comply with laws, regulations and executive orders to which they are subject and which are applicable to the Agreement or to the delivery of Services. Without limiting the generality of the foregoing, both parties expressly agree to comply with the following laws, rules, regulations and executive orders to the extent they are applicable to the Agreement: (a) OAR 943-005-0000 through 943-005-0070, prohibiting discrimination against Individuals with disabilities, as may be revised, and all applicable requirements of state civil rights and rehabilitation statutes, rules and regulations; (b) all state laws governing operation of Community Mental Health Programs, including without limitation, all administrative rules adopted by OHA related to Community Mental Health Programs or related to client rights; (c) all state laws requiring reporting of Client abuse; and (d) ORS 659A.400 to 659A.409, ORS 659A.145 and all regulations and administrative rules established pursuant to those laws in the construction, remodeling, maintenance and operation of any structures and facilities, and in the conduct of all programs, services and training associated with the delivery of Services. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Agreement and required by law to be so incorporated. All employers, including County and OHA that employ subject workers who provide Services in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126.
3. **Independent Contractors.** The parties agree and acknowledge that their relationship is that of independent contracting parties and that County is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265 or otherwise.
4. **Representations and Warranties.**
  - a. County represents and warrants as follows:
    - (1) **Organization and Authority.** County is a political subdivision of the State of Oregon duly organized and validly existing under the laws of the State of Oregon. County has full power, authority and legal right to make this Agreement and to incur and perform its obligations hereunder.

- (2) **Due Authorization.** The making and performance by County of this Agreement: (a) have been duly authorized by all necessary action by County; (b) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of County's charter or other organizational document; and (c) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which County is a party or by which County may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by County of this Agreement.
- (3) **Binding Obligation.** This Agreement has been duly executed and delivered by County and constitutes a legal, valid and binding obligation of County, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.
- (4) County has the skill and knowledge possessed by well-informed members of its industry, trade or profession and County will apply that skill and knowledge with care and diligence to perform the Services in a professional manner and in accordance with standards prevalent in County's industry, trade or profession;
- (5) County shall, at all times during the term of this Agreement, be qualified, professionally competent, and duly licensed to perform the Services; and
- (6) County prepared its proposal related to this Agreement, if any, independently from all other proposers, and without collusion, fraud, or other dishonesty.
- (7) **Services.** To the extent Services are performed by County, the delivery of each Service will comply with the terms and conditions of this Agreement and meet the standards for such Service as set forth herein, including but not limited to, any terms, conditions, standards and requirements set forth in the Financial Assistance Award, applicable Service Description and applicable Specialized Service Requirement.

b. OHA represents and warrants as follows:

- (1) **Organization and Authority.** OHA has full power, authority and legal right to make this Agreement and to incur and perform its obligations hereunder.
- (2) **Due Authorization.** The making and performance by OHA of this Agreement: (a) have been duly authorized by all necessary action by OHA; (b) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency; and (c) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which OHA is a party or by which OHA may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by OHA of this Agreement, other than approval by the Department of Justice if required by law.

(3) **Binding Obligation.** This Agreement has been duly executed and delivered by OHA and constitutes a legal, valid and binding obligation of OHA, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.

c. **Warranties Cumulative.** The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

**5. Ownership of Intellectual Property.**

a. Except as otherwise expressly provided herein, or as otherwise required by state or federal law, OHA will not own the right, title and interest in any intellectual property created or delivered by County or a Provider in connection with the Services. With respect to that portion of the intellectual property that the County owns, County grants to OHA a perpetual, worldwide, non-exclusive, royalty-free and irrevocable license, subject to any provisions in the Agreement that restrict or prohibit dissemination or disclosure of information, to: (1) use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the intellectual property; (2) authorize third parties to exercise the rights set forth in Section 5.a.(1) on OHA's behalf; and (3) sublicense to third parties the rights set forth in Section 5.a.(1).

b. If state or federal law requires that OHA or County grant to the United States a license to any intellectual property, or if state or federal law requires that OHA or the United States own the intellectual property, then County shall execute such further documents and instruments as OHA may reasonably request in order to make any such grant or to assign ownership in the intellectual property to the United States or OHA. To the extent that OHA becomes the owner of any intellectual property created or delivered by County in connection with the Services, OHA will grant a perpetual, worldwide, non-exclusive, royalty-free and irrevocable license, subject to any provisions in the Agreement that restrict or prohibit dissemination or disclosure of information, to County to use, copy, distribute, display, build upon and improve the intellectual property.

c. County shall include in its Provider Contracts terms and conditions necessary to require that Providers execute such further documents and instruments as OHA may reasonably request in order to make any grant of license or assignment of ownership that may be required by federal or state law.

**6. County Default.** County shall be in default under this Agreement upon the occurrence of any of the following events:

a. County fails to perform, observe or discharge any of its covenants, agreements or obligations set forth herein;

b. Any representation, warranty or statement made by County herein or in any documents or reports made in connection herewith or relied upon by OHA to measure the delivery of Services, the expenditure of financial assistance or the performance by County is untrue in any material respect when made;



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #
4d

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Staff Contact: Carla McLane
Department: Planning
Short Title of Agenda Item: Vehicle Purchase

Phone Number (Ext): 5505
Requested Agenda Date: 08/28/2019

This Item Involves: (Check all that apply for this meeting.)
Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity: Harley Swain Subaru
Contractor/Entity Address: 1915 N. 1st Street, Hermiston OR 97838
Effective Dates - From: 08/02/2019 Through: September 2019
Total Contract Amount: \$24,852.00 Budget Line: 237-115-5-40-4413
Does the contract amount exceed \$5,000? Yes No

Reviewed By:
Carla McLane 08202019 Department Head Required for all BOC meetings
Admin. Officer/BOC Office Required for all BOC meetings
County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Purchase Authorization by Administrator
\* Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

The Planning Department seeks to purchase a second new vehicle. With increased code enforcement activities by the department (Outreach Coordinator,) there are many times when the department's vehicle is needed but unavailable. Purchase of a second vehicle would eliminate costs of mileage reimbursement. Purchase of a new vehicle is requested to be paid from the Building Permit Fund - Capital Outlay, budget line 237-115-5-40-4413. We sought bids from five dealerships in Hermiston, which yielded quotes from all five. These two are under our budget limit: Harley Swain Subaru and Tom Denchel Ford in Hermiston. The comparable vehicles -- mid-size SUVs, seating at least five, 4-wheel drive or all-wheel drive (ability to go off-road for site visits,) with fog lights -- are as follows, with other factors we used to compare them:

2019 Subaru Crosstrek:  
\$24,730    27/33 mpg

2019 Ford Escape:  
\$23,433    22/28 mpg

Both vehicles are closely comparable in safety ratings. While the requested Subaru is \$1,300 higher, we looked at several other deciding factors. Researching true cost-to-own details, over the first five years, the Subaru is more cost-effective (difference of \$1,729).

**2. FISCAL IMPACT:**

The Planning Department has funds allocated for purchase of a new vehicle within the current fiscal year, in the amount of \$28,000.

**3. SUGGESTED ACTION(S)/MOTION(S):**

Carla McLane, Planning Director, recommends purchase of the 2019 Subaru Crosstrek 2.0i Premium, from Harley Swain Subaru in Hermiston. This is the bid that meets all specifications. Online investigation suggests the Subaru will also have the lower costs for maintenance and repairs, as well as fuel consumption. The suggested motion would be:

"I move to authorize the purchase of a 2019 Subaru Crosstrek 2.0i Premium for a purchase price of \$24,730, plus \$122 for DMV Title and Registration fees, using Building Permit Funds specified for purchase of a new vehicle."

Attach additional background documentation as needed.

**Dianna Strong**

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**From:** Payton Staker <payton.staker@hotmail.com>  
**Sent:** Friday, August 02, 2019 11:34 AM  
**To:** Dianna Strong  
**Subject:** Bid for 2019 Crosstrek  
**Attachments:** FD70B81D-F87D-4C53-8C7B-5B9FF5756452.jpeg; 304F6B6B-AAE1-45EA-B078-4B1EFE124849.jpeg

STOP and VERIFY - This message came from outside of Morrow County Government.

Invoice cost plus fees. 2019 Subaru Crosstrek 2.0i Premium CVT \$24,730 Total

27/33 mpg

DMV Title + Registration fees \$122-



14210

SUBARU OF AMERICA  
Vehicle Invoice

SUBARU OF AMERICA/WEST REGION  
720 SO. COLORADO BLVD., SUITE 300 N  
GLENDALE, CO 80246

VIN: JF2GTACCXK8340697  
Invoice Number: 115807399  
Invoice Date: 06/19/19  
P.O. Number: ||

Sold To: 140189  
HARLEY SWAIN SUBARU  
1915 N 1ST STREET  
HERMISTON, OR 97838 US

Financing Organization:  
ALLY  
5208 TENNYSON PARKWAY SUITE 120  
PLANO, TX 75024

Shipped To: 140189  
HARLEY SWAIN SUBARU  
1915 N 1ST STREET  
HERMISTON, OR 97838 US

Order Type: Wholesale

Item	Item Description	Manufacturing Suggested Retail	Dealer Cost
KRD	2019 Crosstrek 2.0i Premium CVT	\$23,895.00	\$22,625.00
ISM	Ice Silver Metallic		
BLO	Black		
	Option Package 11		
	Standard Model		
CS2	Ext Int Auto Dimm HL Mirrors	\$600.00	\$389.00
OKO	Ext Auto Dim Mirror		
OH2	Mirror Compass w/ homelink		
OJA	Splash Guards	\$153.00	\$99.00
OLE	All-Weather Floor Liners	\$132.00	\$85.00
STD	Standard Destination Charge	\$975.00	\$975.00
Total Vehicle Price Before Discount		\$25,755.00	\$24,173.00
Total Vehicle Price After Discount		\$25,755.00	\$24,173.00

our cost  
plus DMV  
Fees state  
Tax

HB 0478 FP 0200

Vehicle Identification JF2GTACCXK8340697    Engine Number YH39570    Key Code 32770    Port Vancouver, WA    Curb Weight 3186.0

50 State Certified

<b>BUYER</b>	<b>CO-BUYER</b>	<b>DEAL #</b>	<b>DEAL DATE</b>
			08/02/19

<u>PURCHASE VEHICLE</u>	STOCK	YEAR	MAKE	MODEL	MILES	VIN
NEW						
USED						

<u>TRADE-IN VEHICLE</u>	STOCK	YEAR	MAKE	MODEL	MILES	VIN

M.S.R.P	\$ 25,755.00					
SALE PRICE	\$ 24,173.00	OPTION 1				
TOTAL TRADE ALLOWANCE	\$ -	DOWN PAYMENT	\$ -	\$ 500.00	\$ 1,000.00	
TRADE DIFF	\$ 24,173.00					
		<b>60</b>				
TITLE&REG PROCES FEE	\$ 95.00	<b>72</b>				
STATE&TAX @ 0.0%	\$ -					
TOTAL LIC FEE	\$ 341.50	<b>84</b>				
TOTAL CASH PRICE	\$ 24,609.50					
PRIVILEGE TAX OR 0.5%	\$ 120.87					
TOTAL PAY OFF	\$ -					
DELIVERD PRICE	\$ 24,730.37					
REBATE OR DEPOSIT	\$ -					
UNPAID BAL	<b>\$ 24,730.37</b>					*ON APPROVED CREDIT

OK  
 \_\_\_\_\_  
 CUSTOMER APPROVAL

OK  
  
 \_\_\_\_\_  
 MANAGEMENT APPROVAL

## 2019 Crosstrek Models

- Standard
- Optional
- Not Equipped

	2.0i	2.0i Premium	2.0i Limited
Starting Price*	\$21,895	\$22,895	\$27,195
Up to MPG** (hwy/city)	33/27	33/27	33/27
MPGe**	N/A	N/A	N/A
Engine	2.0-liter SUBARU BOXER® 4-cylinder	2.0-liter SUBARU BOXER® 4-cylinder	2.0-liter SUBARU cylinder
SUBARU STARLINK® Multimedia <sup>(4)</sup>	●	●	●
Leather-trimmed upholstery	—	—	●
EyeSight® Driver Assist Technology <sup>(12)</sup>	○	○	●
18-inch alloy wheels	—	—	●
Engine/Chassis			+
Exterior			+
Interior			+
Amenities			+
Safety			—

## Search vehicle safety ratings.

NHTSA's 5-Star Safety Ratings help consumers make smart decisions about safety when purchasing a vehicle. You can also search ratings by manufacturer.

2019 subaru crosstrek 

NHTSA introduced tougher tests and rigorous new 5-Star Safety Ratings for model year 2011 and newer vehicles. These ratings provide more information about safety performance and the performance of recommended crash avoidance technologies. Because of the more stringent tests, 2011-newer model ratings are not comparable to pre-2011 vehicles.



### 2011 - PRESENT

#### FILTER BY VEHICLE TYPE

SUV (1)

### 2 Results

for 2019 subaru crosstrek

VEHICLES	OVERALL RATING ▲	FRONTAL CRASH ◆	SIDE CRASH ◆	ROLLOVER ◆	RECOM TECHN
<a href="#">2019 Subaru Crosstrek SW AWD</a>	★★★★★	★★★★★	★★★★★	★★★★★	 <a href="#">Check</a>
<a href="#">2019 Subaru Crosstrek Hybrid SW AWD</a>	Not Rated	Not Rated	Not Rated	Not Rated	 <a href="#">Check</a>

## 2019 Subaru Crosstrek Cost to Own

More about the 2019 Crosstrek >



SPACEMAX

### Photos & Videos

## Total 5-Year Ownership Costs

Select Model

2.0i Premium 4dr SUV AWD (2.0L 4cyl CVT) ▼

Near ZIP

97844

True Cost to Own

**\$33,688\***

Total Cash Price

**\$25,358**

Depreciation

**\$10,297**

Financing  
**\$3,964**

### Ownership Costs: 5-Year Breakdown

Selected Model: <sup>\$8,647</sup> 2019 Crosstrek SUV 2.0i Premium 4dr SUV AWD (2.0L 4cyl CVT)

	Year 1	Year 2	Year 3	Year 4	Year 5	Insurance Total \$4,654
<b>Tax Credit</b>	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Insurance</b>	\$868	\$898	\$930	\$962	\$996	<b>\$4,654</b>
<b>Maintenance</b>	\$388	\$766	\$490	\$2,313	\$982	Maintenance <del>\$4,939</del> <b>\$4,939</b>
<b>Repairs</b>	\$0	\$0	\$121	\$287	\$420	<b>\$828</b>
<b>Taxes &amp; Fees</b>	\$187	\$0	\$86	\$0	\$86	<b>\$359</b>
<b>Financing</b>	\$1,364	\$1,096	\$812	\$508	\$184	<b>\$3,964</b>
<b>Depreciation</b>	\$2,612	\$1,870	\$1,771	\$2,077	\$1,967	<b>\$10,297</b>
<b>Fuel</b>	\$1,629	\$1,677	\$1,728	\$1,780	\$1,833	<b>\$8,647</b>
<b>True Cost to Own®</b>	<b>\$7,048</b>	<b>\$6,307</b>	<b>\$5,938</b>	<b>\$7,927</b>	<b>\$6,468</b>	<b>\$33,688</b>

\*Based on a 5-year estimate with 15,000 miles driven per year.

[Shop now](#)

[Learn about the 2019 Crosstrek >](#)

**True Cost To Own®**

*Handwritten notes:*  
35,417 Escape  
31,729 True

## Dianna Strong

---

**From:** jsmith@fordcountry.com  
**Sent:** Friday, August 09, 2019 9:42 AM  
**To:** Dianna Strong  
**Cc:** Chelsie Chavez  
**Subject:** [FWD: ]  
**Attachments:** image08-09-2019-133109.pdf

STOP and VERIFY - This message came from outside of Morrow County Government.

---

Good morning Dianna I hope this note finds you well, please accept the attached bids from both Tom Denchel Ford and Hermiston CDJR as per your request dated August 1, 2019. I have also included the invitation to bid.

The Ford Escape is \$23,433.12

The Jeep is \$29,153.87

Prices include the required trip permit as well as the Oregon state tax. These are subject to availability upon being awarded the bid, as of today August 9, 2019 both are in our inventory, if you select one of the vehicles and it is no longer in our stock we will make every effort possible to obtain a like or very similar vehicle from another Dealer's inventory, if you have any questions or concerns please don't hesitate to reach out to myself or Chelsie. I thank you in advance.

**John V. Smith**  
**Commercial Fleet Manager**  
**Tom Denchel Ford**  
541-567-3291 Office  
541-567-0034 Fax  
541-571-5646 Cell

*Escape: 22/28 mpg*

----- Original Message -----

Subject:  
From: Scan <[scan@hermistoncdjr.com](mailto:scan@hermistoncdjr.com)>  
Date: Fri, August 09, 2019 9:27 am  
To: "[jsmith@fordcountry.com](mailto:jsmith@fordcountry.com)" <[jsmith@fordcountry.com](mailto:jsmith@fordcountry.com)>

LOU-009754 WA 5-NORMAL, NB, 109754, JL211 5361

120181201 2011

DLC CERT CERT TRD RAMP BUNP CAMP BOOK EXFL

1FMCU9GD5 KUA55565 NB



Go Further  
ford.com

VEHICLE DESCRIPTION

**ESCAPE 4WD**

2019 ESCAPE SE 4WD  
105.9" WHEELBASE  
1.5L ECOBOOST ENGINE  
6-SPD AUTO TRANS W/SLCTSHFT

**KU A55565**

EXTERIOR  
WHITE PLATINUM MET TRI-COAT  
INTERIOR  
GRAY/BLACK CLOTH SEATS

STANDARD EQUIPMENT INCLUDED AT NO EXTRA CHARGE

**EXTERIOR**

- ACTIVE GRILLE SHUTTERS
- DOOR HANDLES - BODY COLOR
- DUAL EXHAUST CHROME TIPS
- EASY FUEL CAPLESS FILLER
- FOG LAMPS
- HEADLAMP COURTESY DELAY
- HEADLAMPS - AUTO HALOGEN
- MIRRORS - POWER GLASS
- PRIVACY GLASS - REAR DOORS
- REAR INT WIPER/WASH/FRST

**INTERIOR**

- TOUCH UP/DOWN FRN/RW WIN
- 4-WAY FRN HEAD RESTRAINTS
- 60/40 SPLIT FOLD REAR SEAT
- CARPETED FLOOR MATS
- DUAL ILLUM VIS VANITY MIRR
- DUAL ZONE AUTO CLIMATE CTL
- HTD FRN SEATS - 10-WAY PWR
- DRV & 4-WAY MANUAL PASS
- ILLUMINATED ENTRY SYSTEM
- POWERPOINTS - 12V
- SMART CHARGING USB PORT(2)
- STEERING WHEEL ESCAPE, CRUISE & AUDIO CONTROLS

**FUNCTIONAL**

- AM/FM/MP3, 8 SPEAKERS
- AUTO START STOP TECH
- BRAKES, 4-WHEEL DISC/ABS
- ELECTRIC PARKING BRAKE
- FORDPASS™ CONNECT 4GWI-FI
- HOTSPOT TELEMATICS MODEM
- INTELLIGENT ACCESS W/PUSH
- BUTTON START
- MYKEY®
- POWER STEERING W/EPAS
- REAR VIEW CAMERA
- REMOTE START SYSTEM
- SECURITYCODE KEYLESS KEYPAD
- SRUIUSXM® - BYO N/A AKGH
- SYNC®3 8" SCRAN W/APPLINK®

**SAFETY/SECURITY**

- ADVANCETRAC® WITH RSC®
- AIRBAG - DRIVER KNEE
- AIRBAGS - DUAL STAGE FRONT
- AIRBAGS - FRONT SEAT
- MOUNTED SIDE IMPACT
- AIRBAGS - SAFETY CANOPY®
- LATCH CHILD SAFETY SYSTEM
- PERIMETER ALARM
- PERSONAL SAFETY SYSTEM™
- SOS POST-CRASH ALERT SYS™
- TIRE PRESSURE MONIT SYS

**WARRANTY**

- 5YR/60,000 BUMPER / BUMPER
- 6YR/60,000 POWERTRAIN
- 6YR/60,000 ROADSIDE ASSIST

INCLUDED ON THIS VEHICLE (MSRP)

**EQUIPMENT GROUP 200A**

**OPTIONAL EQUIPMENT/OTHER**

- 2019 MODEL YEAR
- WHITE PLATINUM MET TRI-COAT
- 235/55R17 LRR A/S 85W TIRES
- U9G01
- FRONT LICENSE PLATE BRACKET
- 17" SPARKLE SILVER PTD ALUM WHL

(MSRP)

595.00

NO CHARGE  
NO CHARGE

**PRICE INFORMATION**

BASE PRICE 628,000.00  
TOTAL OPTIONS/OTHER 595.00  
TOTAL VEHICLE & OPTIONS/OTHER 25,595.00  
DESTINATION & DELIVERY 985.00

(MSRP)

EPA DOT

**Fuel Economy and Environment**

Gasoline Vehicle

**Fuel Economy**

**24** MPG  
combined city/hwy  
**22** city  
**28** highway  
4.2 gallons per 100 miles

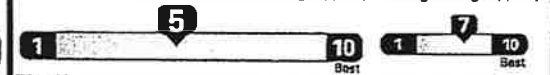
Small SUVs range from 18 to 37 MPG. The best vehicle rates 136 MPGe.

**You spend \$1,000**

more in fuel costs over 5 years compared to the average new vehicle.

**Annual fuel cost \$1,600**

**Fuel Economy & Greenhouse Gas Rating (tailpipe only) Smog Rating (tailpipe only)**



This vehicle emits 370 grams CO2 per mile. The best emits 0 grams per mile (tailpipe only). Producing and distributing fuel also create emissions. Learn more at: [fuelconomy.gov](http://fuelconomy.gov).

Actual results will vary for many reasons, including driving conditions and how you drive and maintain your vehicle. The average new vehicle gets 27 MPG and costs \$7,000 to fuel over 5 years. Cost estimates are based on 15,000 miles per year at \$2.50 per gallon. MPGe is miles per gasoline gallon equivalent. Vehicle emissions are a significant cause of climate change and smog.

**fuelconomy.gov**

Calculate personalized estimates and compare vehicles.

Smartphone QR Code



**GOVERNMENT 5-STAR SAFETY RATINGS**

**Overall Vehicle Score ★★★★★**

Based on the combined ratings of frontal, side and rollover. Should ONLY be compared to other vehicles of similar size and weight.

**Frontal Crash Driver Passenger ★★★★★**

Based on the risk of injury in a frontal impact. Should ONLY be compared to other vehicles of similar size and weight.

**Side Crash Front seat Rear seat ★★★★★**

Based on the risk of injury in a side impact.

**Rollover ★★★★★**

Based on the risk of rollover in a single-vehicle crash.

Star ratings range from 1 to 5 stars (★ ★ ★ ★ ★), with 5 being the highest.

Source: National Highway Traffic Safety Administration (NHTSA).

[www.safercar.gov](http://www.safercar.gov) or 1-888-327-4236

**FordPass™ Connect**

With a FordPass Connect-equipped vehicle, you can use FordPass to:

**Access Vehicle Control Features**

- Remotely start, lock and unlock your vehicle.
- Locate your vehicle and check approximate fuel range.
- Receive vehicle health alerts.

**Activate 4G LTE Wi-Fi Hotspot**

- New vehicles include a complimentary 3-month or 3GB data Wi-Fi trial.
- Connect up to 10 Wi-Fi-equipped devices.

Ask your sales consultant for more details.

**Ford | FORD PROTECT**

Enlist on Ford Protect! The only extended service plan fully backed by Ford and honored at every Ford dealership in the U.S., Canada and Mexico. See your Ford dealer or visit [www.FordOwner.com](http://www.FordOwner.com).

**WARNING:** Operating, servicing and maintaining a passenger vehicle, pickup truck, van, or off-road vehicle can expose you to chemicals including engine exhaust, carbon monoxide, phthalates, and lead, which are known to the State of California to cause cancer and birth defects or other reproductive harm. To minimize exposure, avoid breathing exhaust, do not idle the engine except as necessary, service your vehicle in a well-ventilated area and wear gloves or wash your hands frequently when servicing your vehicle. For more information go to [www.P65Warnings.ca.gov/passenger-vehicle](http://www.P65Warnings.ca.gov/passenger-vehicle).

SCAN OR TEXT 1/PCSALLES45 TO 64078

Use a data  
network  
apply  
Ford Pass  
to help



[www.Ford.com/Protect](http://www.Ford.com/Protect)

RAMP ONE	RA7C		<b>TOTAL MSRP \$29,590.00</b>
RAMP TWO		RAIL	
		ITEM #	74-Z580 Q/T 2
This label is affixed pursuant to the Federal Automobile Information Disclosure Act. Gasoline, License, and Title Fees, State and Local taxes are not included. Dealer installed options or accessories are not included unless listed above.			<p>Whether you decide to lease or finance your vehicle, you'll find the choices that are right for you. See your dealer for details or visit <a href="http://www.ford.com/finance">www.ford.com/finance</a>.</p>
			JL211 N RB 2X 020 009754 11 21 18



## Search vehicle safety ratings.

NHTSA's 5-Star Safety Ratings help consumers make smart decisions about safety when purchasing a vehicle. You can also search ratings by manufacturer.

2019 Ford Escape



NHTSA introduced tougher tests and rigorous new 5-Star Safety Ratings for model year 2011 and newer vehicles. These ratings provide more information about safety performance and the performance of recommended crash avoidance technologies. Because of the more stringent tests, 2011-newer model ratings are not comparable to pre-2011 vehicles.

### 2011 - PRESENT

#### FILTER BY VEHICLE TYPE

All (2) SUV (2)

#### 2 Results for 2019 Ford Escape

VEHICLES	OVERALL RATING ▲	FRONTAL CRASH ▼	SIDE CRASH ▼	ROLLOVER ▼	RECOMMENDED TECHNOLOGIES
2019 Ford Escape SUV AWD	★★★★★	★★★★★	★★★★★	★★★★★	Check A
2019 Ford Escape SUV FWD	★★★★★	★★★★★	★★★★★	★★★★★	Check A

[More about the 2019 Escape >](#)

[Home](#) / [Ford](#) / [Ford Escape](#) / [2019 Ford Escape](#) / [Cost to Own](#)

## 2019 Ford Escape Cost to Own



©2018 FORD

### [Photos & Videos](#)

### Total 5-Year Ownership Costs

Select Model

SE 4dr SUV (1.5L 4cyl Turbo 6A) ▼

Near ZIP

97844

True Cost to Own

**\$35,417\***

Total Cash Price

**\$23,097**

Depreciation

**\$12,111**

[More about the 2019 Escape >](#)

Financing  
**\$3,611**

## Ownership Costs: 5-Year Breakdown

Selected Model: **2019 Escape SUV SE 4dr SUV (1.5L 4cyl Turbo 6A)**

	Year 1	Year 2	Year 3	Year 4	Year 5	Insurance Total
<b>Tax Credit</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Insurance</b>	\$829	\$858	\$888	\$919	\$951	<b>\$4,445</b>
<b>Maintenance</b>	\$226	\$596	\$329	\$1,667	\$1,523	Maintenance <b>\$4,341</b>
<b>Repairs</b>	\$0	\$0	\$132	\$313	\$455	<b>\$900</b>
<b>Taxes &amp; Fees</b>	\$187	\$0	\$86	\$0	\$86	<b>\$359</b>
<b>Financing</b>	\$1,242	\$999	\$740	\$462	\$168	<b>\$3,611</b>
<b>Depreciation</b>	\$4,801	\$1,780	\$1,684	\$1,976	\$1,870	<b>\$12,111</b>
<b>Fuel</b>	\$1,818	\$1,872	\$1,928	\$1,986	\$2,046	<b>\$9,650</b>
<b>True Cost to Own®</b>	<b>\$9,103</b>	<b>\$6,105</b>	<b>\$5,787</b>	<b>\$7,323</b>	<b>\$7,099</b>	<b>\$35,417</b>

\*Based on a 5-year estimate with 15,000 miles driven per year.

[Shop now](#)

[Learn about the 2019 Escape >](#)

**True Cost To Own®**

1,729  
Fisher

\$29,154

Price too high

2019 MODEL YEAR

# Jeep CHEROKEE LATITUDE PLUS 4X4

For more information visit: [www.jeep.com](http://www.jeep.com)  
or call 1-877-IAM-JEEP

FCA US LLC

THIS VEHICLE IS MANUFACTURED TO MEET SPECIFIC UNITED STATES REQUIREMENTS. THIS VEHICLE IS NOT MANUFACTURED FOR SALE OR REGISTRATION OUTSIDE OF THE UNITED STATES.

MANUFACTURER'S SUGGESTED RETAIL PRICE OF THIS MODEL INCLUDING DEALER PREPARATION

Base Price: **\$28,645**

**JEOP CHEROKEE LATITUDE PLUS 4X4**  
Exterior Color: Pearl White Pearl-Coat Exterior Paint  
Interior Color: Black Interior Color  
Interior: Cloth / Premium Vinyl Bucket Seats  
Engines: 3.2-Liter V6 24-Valve VVT Engine  
Transmission: 9-Speed Automatic Transmission  
**STANDARD EQUIPMENT (UNLESS REPLACED BY OPTIONAL EQUIPMENT)**

### FUNCTIONAL/SAFETY FEATURES

Advanced Multistage Front Airbags  
Supplemental Side-Curtain Front and Rear Airbags  
Supplemental Front Seat-Mounted Side Airbags  
LATCH Ready Child Seat Anchor System  
ParkView® Rear Back-Up Camera  
Jeep Active Drive I  
Selec-Terrain® System  
Keyless Go™ / Passive Entry  
Keyless Entry with Panic Alarm  
All-Speed Traction Control  
Electronic Stability Control  
Electronic Roll Mitigation  
4-Wheel Disc Anti-Lock Brakes  
Speed Control  
Tire-Fill Alert  
Tire Pressure Monitoring Display  
Capless Fuel-Fill  
Deep Tint Sunscreen Glass

### INTERIOR FEATURES

Uconnect® 4 with 7-Inch Display  
Apple CarPlay®  
Google Android Auto™  
SiriusXM® Sat Radio w/ 1-Yr Radio Subscription  
Cluster 3.5-inch TFT Black and White Display  
Integrated Voice Command with Bluetooth®  
Media Center Electronics Storage  
USB Charging Port in Console & n  
Dual USB Ports in Rear of Console  
6-Speakers  
Leather-Wrapped Steering Wheel  
Steering Wheel Mounted Audio Controls  
Power Front Windows w/ 1-Touch Up and Down Feature  
12-Volt Auxiliary Power Outlet  
8-Way Power Driver Seat  
4-Way Power Lumbar Adjustable Driver Seat  
**EXTERIOR FEATURES**  
17-Inch x 7-Inch Satin Carbon Aluminum Wheels  
225/65R17 BSW All-Season Tires  
Compact Spare Tire  
Power-Heated Mirrors  
Automatic Headlamps

LED Low / High Beam Headlamps  
Front LED Fog Lamps  
Bright Side Roof Rails

**OPTIONAL EQUIPMENT (May Replace Standard Equipment)** \$595  
Customer Preferred Package 26M

18-Inch x 7.0-Inch Gloss Black 5-Spoke Alum Wheels  
225/65R17 BSW Touring Tires  
Altitude Package  
Black Accent Stitching  
Black Day Light Opening Moldings  
Continental Brand Tires  
Gloss Black Exterior Accents  
Gloss Black Exterior Badging  
Gloss Black Grille Surrounds  
Gloss Black Side Roof Rails  
Piano Black Interior Accent

Customer Preferred Package 27N \$895  
Cold Weather Group

A3-Weather Floor Mats  
Engine Block Heater  
Heated Front Seats  
Heated Steering Wheel  
Remote-Start System (N/A w/Manual Transmission)

Windshield Wiper De-Icer \$1,745

3.2-Liter V6 24-Valve VVT Engine  
Dual Bright Exhaust Tips \$695

9-Amplified Speakers with Subwoofer  
Destination Charge \$1,495

TOTAL PRICE: \* **\$34,470**

**WARRANTY COVERAGE**  
5-year or 60,000-mile Powertrain Limited Warranty,  
3-year or 36,000-mile Basic Limited Warranty  
Ask Dealer for a copy of the limited warranties or see your owner's manual for details.

**5 YEAR / 60,000 MILE  
POWERTRAIN WARRANTY**

Assembly Plant/Port of Entry: BELVIDERE, ILLINOIS, U.S.A.  
VIN: 1C4PJMLX3KD459014

5L SHP 20

50K DR



THIS VEHICLE IS SUBJECT TO THE FEDERAL MOTOR VEHICLE SAFETY ACT. THE VEHICLE CANNOT BE IMPORTED OR A FOREIGNER TO BE EXPORTED TO THE UNITED STATES.

\*MSRP AND/OR LOCAL TAXES IF ANY, LICENSE AND TITLE FEES AND DEALER'S FEE AND PAID-UP OPTIONS AND ACCESSORIES ARE NOT INCLUDED IN THIS PRICE. DESTINATION IF ANY IS BASED ON THE PRICE OF OPTION IF PURCHASED SEPARATELY.

## EPA DOT Fuel Economy and Environment Gasoline Vehicle

**Fuel Economy** These estimates reflect new EPA methods beginning with 2017 models. You spend **\$2,500** in fuel costs over 5 years compared to the average new vehicle.

**22** MPG combined city/hwy  
**19** city  
**27** highway

Small SUV 4WD range from 16 to 120 MPG  
The best vehicle rates 136 MPG-e

4.5 gallons per 100 miles

**Annual fuel Cost \$1,900**

**Fuel Economy & Greenhouse Gas Rating** (tailpipe only) **1** 4 10 Best

**Smog Rating** (tailpipe only) **1** 5 10 Best

This vehicle emits 300 grams CO2 per mile. The best emits 0 grams per mile (tailpipe only). Producing and distributing fuel also creates emissions, less than 10% of total greenhouse gas.

Actual results will vary for many reasons, including driving conditions and how you drive and maintain your vehicle. The average new vehicle gets 27 MPG and cost \$7,000 to fuel over 5 years. Cost estimates are based on 15,000 miles per year at \$2.50 per gallon. MPGe is miles per gasoline gallon equivalent. Vehicle emissions are a significant cause of climate change and smog.

**fuelconomy.gov**  
Calculate personalized estimates and compare vehicles

Smartphone QR Code to

### GOVERNMENT 5-STAR SAFETY RATINGS

**Overall Vehicle Score** ★ ★ ★ ★

Based on the combined ratings of frontal, side, and rollover. Should ONLY be compared to other vehicles of similar size and weight.

<b>Frontal Crash</b>	<b>Driver Passenger</b>	★★★★
Based on the risk of injury in a frontal impact. Should ONLY be compared to other vehicles of similar size and weight.		
<b>Side Crash</b>	<b>Front seat Rear seat</b>	★★★★
Based on the risk of injury in a side impact.		
<b>Rollover</b>		★★★★
Based on the risk of rollover in a single-vehicle crash.		

### PARTS CONTENT INFORMATION

**FOR VEHICLES IN THIS CARLINE:**  
U.S./CANADIAN PARTS CONTENT: 69%  
MAJOR SOURCES OF FOREIGN PARTS CONTENT:  
MEXICO : 20%  
NOTE: PARTS CONTENT DOES NOT INCLUDE FINAL ASSEMBLY, DISTRIBUTION, OR OTHER NON-PARTS COSTS.  
**FOR THIS VEHICLE:**  
FINAL ASSEMBLY POINT: BELVIDERE, ILLINOIS, U.S.A.  
COUNTRY OF ORIGIN: ENGINE: UNITED STATES  
TRANSMISSION: UNITED STATES

Star ratings range from 1 to 5 stars (★★★★★) with 5 being the highest. Source: National Highway Traffic Safety Administration (NHTSA) [www.safercar.gov](http://www.safercar.gov) or 1-888-327-4236

The safety ratings above are based on Federal Government tests of particular vehicles equipped with certain features and options. The performance of this vehicle may differ.

**MOPAR VEHICLE PROTECTION**  
Ask for Mopar Vehicle Protection for your vehicle. We Build It. We Back It.



**Rogers Toyota of Hermiston**  
 1550 N. 1st Street,  
 Hermiston, OR 97838  
 (541) 567-6461

*No fog lights*

## 2019 RAV4 LE AWD SUV

Model: 4432C  
 Year: 2019  
 Interior Color: BLACK  
 Exterior Color: MAGNETIC GRAY METALLIC  
 Number of Cylinders: 4  
 VIN: JTMF1RFV7KJ018653  
 Stock No.: 19H701

Total MSRP\*:  
**\$28,504.00**  
 27 CITY MPG | 34 HWY MPG

### Standard Equipment

#### MECHANICAL & PERFORMANCE

2.5L DOHC 4-Cylinder Engine w/Dual VVT-i  
 203 hp @ 6600 rpm / 184 lb-ft @ 5000 rpm  
 Direct Shift 8-spd Auto Transmisson  
 All Wheel Drive w/Multi Terrain Select  
 Eco, Sport and Normal Modes  
 Intelligent Start and Stop Engine System

#### SAFETY & CONVENIENCE

Toyota Safety Sense 2.0: Pre-Collision  
 Sys w/Pedestrian Detection, Full-Speed  
 Range Dynamic Radar Cruise Control, Lane  
 Departure Alert w/Steering Assist,  
 Lane Tracing Assist, Automatic High  
 Beams, Road Sign Assist  
 Star Safety System: VSC, TRAC, ABS,  
 Elect Brake-Force Distribution, Brake  
 Assist(BA) & Smart Stop Technology (SST)  
 Eight Airbags

#### Optional Equipment

50 State Emissions

Integrated Back-Up Camera  
 LATCH-Lower Anchor & Tether for Children

#### EXTERIOR

17-in. Steel Wheels with Covers  
 LED Headlights/Daytime Running Lights  
 Power Outside Mirrors  
 Low Profile Roof Rails  
 Privacy Glass

#### INTERIOR

Entune 3.0 Audio  
 7.0" Touch Screen, 6 Speakers,  
 HandsFree Bluetooth Phone/Music,  
 USB Media Port, Two 12V Power Outlets  
 Siri Eyes Free, Apple CarPlay Compatible  
 4.2" Color Multi-Information Display  
 Remote Keyless Entry  
 Fabric Seats  
 Electronic Parking Brake

\$0.00

\* 2019 Manufacturer's Suggested Retail Price, excludes the Delivery, Processing and Handling Fee, taxes, license, title and available or regionally required equipment. Actual Dealer price may vary. Pricing, specifications, standard features and available equipment are based on information available when this page was produced and subject to change without notice.

Disclaimer: This document is only representative of some of the information contained on an actual window sticker, and is not meant to replace or substitute for the actual window sticker on the vehicle. Please see your retailer for further information.



# TOYOTA

## Rogers Toyota of Hermiston

1550 N. 1st Street,  
Hermiston, OR 97838  
(541) 567-6461

### 2019 RAV4 LE AWD SUV

Rear Cargo Area Cover	\$90.00
All Weather Floor Liners and Cargo Liner	\$269.00
<b>Total Optional Equipment</b>	<b>\$359.00</b>
<b>Vehicle Base Model</b>	<b>\$27,050.00</b>
<b>Delivery Processing and Handling</b>	<b>\$1,095.00</b>
<b>Total MSRP*</b>	<b>\$28,504.00</b>

This Rav4 Does not have  
Fog Lights.

Your Price \$ 25,793.00

Any Tax, Title, and License is Extra.

The First 2 years or 25,000 miles of maintenance  
are Free.

**Dianna Strong**

\$28,806-  
Price too high

**From:** dendicott@toyotaofhermiston.com  
**Sent:** Wednesday, August 14, 2019 5:41 PM  
**To:** Dianna Strong  
**Cc:** raguilar@toyotaofhermiston.com  
**Subject:** RE: New Vehicle Bids  
**Attachments:** 0554\_001.pdf

STOP and VERIFY - This message came from outside of Morrow County Government.

Dianna,

I have attached a New 2019 XLE Rav 4 bid for Rogers Toyota of Hermiston that matches your specifications.

Thank you for the opportunity,

Doug Endicott  
541-969-3229

-----Original Message-----

From: "Dianna Strong" <dstrong@co.morrow.or.us>  
Sent: Tuesday, August 13, 2019 11:00am  
To: "jsmith@fordcountry.com" <jsmith@fordcountry.com>, "dendicott@toyotaofhermiston.com" <dendicott@toyotaofhermiston.com>, "tyler@sherrellchevrolet.com" <tyler@sherrellchevrolet.com>, "chelsie@hermistoncdjr.com" <chelsie@hermistoncdjr.com>, "shawn@harleyswainsubaru.com" <shawn@harleyswainsubaru.com>  
Subject: RE: New Vehicle Bids

Hello,

Thank you to those who have sent bids for our consideration.

I realize I made a mistake on the date in my original message, stating that we would consider all bids received by *Wednesday*, August 15. Because of that, I am leaving the first bid time open until Thursday. If there are further bids you wish to be considered, please have them in my inbox by 8 am, August 15.

Thank you,

**Dianna Strong**

Office Assistant  
Morrow County Planning Dept.  
PO Box 40, Irrigon OR 97844  
541-922-4624 Ext. 5508

**From:** Dianna Strong  
**Sent:** Thursday, August 01, 2019 5:33 PM  
**To:** 'jsmith@fordcountry.com' <jsmith@fordcountry.com>; 'dendicott@toyotaofhermiston.com'

<dendicott@toyotaofhermiston.com>; 'tyler@sherrellchevrolet.com' <tyler@sherrellchevrolet.com>;  
'chelsie@hermistoncdjr.com' <chelsie@hermistoncdjr.com>; 'shawn@harleyswainsubaru.com'  
<shawn@harleyswainsubaru.com>

**Subject:** New Vehicle Bids

Hello,

Enclosed please find a letter explaining what the Morrow County Planning Department is looking for in a new car purchase.

We appreciate any and all responses you may be able to provide. Call me with any questions, or e-mail me if you prefer.

Thank you for your assistance,

**Dianna Strong**

*Office Assistant*

*Morrow County Planning Dept.*

*PO Box 40, Irrigon OR 97844*

*541-922-4624 Ext. 5508*





**Rogers Toyota of Hermiston**  
 1550 N. 1st Street,  
 Hermiston, OR 97838  
 (541) 567-6461

## 2019 RAV4 XLE AWD SUV

Model: 4442A  
 Year: 2019  
 Interior Color: LT. GRAY  
 Exterior Color: RUBY FLARE PEARL  
 Number of Cylinders: 4  
 VIN: 2T3P1RFV7KC005411  
 Stock No.:

Total MSRP\*:  
**\$31,754.00**  
 25 CITY MPG | 33 HWY MPG

*NHTSA has not rated the 2019 Rav4*

### Standard Equipment

#### MECHANICAL & PERFORMANCE

2.5L DOHC 4-Cylinder Engine w/Dual VVT-i  
 203 hp @ 6600 rpm / 184 lb-ft @ 5000 rpm  
 Direct Shift 8-spd Auto Transmisson  
 All Wheel Drive w/Multi Terrain Select  
 Eco, Sport and Normal Modes

#### SAFETY & CONVENIENCE

Toyota Safety Sense 2.0: Pre-Collision Sys w/Pedestrian Detection, Full-Speed Range Dynamic Radar Cruise Control, Lane Departure Alert w/Steering Assist, Lane Tracing Assist, Automatic High Beams, Road Sign Assist  
 Star Safety System: VSC, TRAC, ABS, Elect Brake-Force Distribution, Brake Assist(BA) & Smart Stop Technology (SST)  
 Integrated Back-Up Camera  
 Eight Airbags  
 Blind Spot Monitor with Rear Cross Traffic Alert  
 LATCH-Lower Anchor & Tether for CHildren

#### EXTERIOR

17-in. Five-Spoke Silver Alloy Wheels  
 LED Headlights/Daytime Running Lights  
 \* Integrated Fog Lights  
 Color-Keyed Heated Power Outside Mirrors  
 Power Tilt/Slide Moonroof  
 Low Profile Roof Rails

#### INTERIOR

Entune 3.0 Audio  
 7.0" Touch Screen, 6 Speakers,  
 HandsFree Bluetooth Phone/Music,  
 USB Media Port, 4 USB Charge-Ports,  
 Siri Eyes Free, Apple CarPlay Compatible  
 Two 12V/120W Power Outlets  
 4.2" Color Multi-Information Display  
 Dual Zone Auto A/C with Rear Vents  
 Smart Key System w/Push Button Start  
 Fabric Seats  
 Electronic Parking Brake  
 Rear Cargo Area Cover

\* 2019 Manufacturer's Suggested Retail Price, excludes the Delivery, Processing and Handling Fee, taxes, license, title and available or regionally required equipment. Actual Dealer price may vary. Pricing, specifications, standard features and available equipment are based on information available when this page was produced and subject to change without notice.

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# TOYOTA

## Rogers Toyota of Hermiston

1550 N. 1st Street,  
Hermiston, OR 97838  
(541) 567-6461

### Optional Equipment

50 State Emissions	\$0.00
Special Color	\$395.00
XLE Convenience Package: Includes 8-way Power-Adjustable Driver's Seat with Lumbar Support, Heated Front Seats, and Height-Adjustable Power Liftgate with Jam Protection	\$1,295.00
Carpet Floor Mats/Cargo Mat	\$269.00
Preferred Owner's Portfolio	\$0.00
<b>Total Optional Equipment</b>	<b>\$1,959.00</b>
<b>Vehicle Base Model</b>	<b>\$28,700.00</b>
<b>Delivery Processing and Handling</b>	<b>\$1,095.00</b>
<b>Total MSRP*</b>	<b>\$31,754.00</b>

Your Price \$28,806.00

Any Tax, title, and license is extra.

The first 2 years or 25,000 miles of maintenance are free.

\* 2019 Manufacturer's Suggested Retail Price, excludes the Delivery, Processing and Handling Fee, taxes, license, title and available or regionally required equipment. Actual Dealer price may vary. Pricing, specifications, standard features and available equipment are based on information available when this page was produced and subject to change without notice.

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## 2019 Toyota RAV4 Cost to Own

More about the 2019 RAV4 >



2019 RAV4

### Photos & Videos

### Total 5-Year Ownership Costs

Select Model

XLE 4dr SUV AWD (2.5L 4cyl 8A)



Near ZIP

97844

True Cost to Own

**\$37,701\***

Total Cash Price

**\$30,474**

Depreciation

**\$13,506**

Taxes & Fees  
\$359

Financing  
\$4,764

## Ownership Costs: 5-Year Breakdown

Selected Model: 2019 RAV4 SUV XLE 4dr SUV AWD (2.5L 4cyl 8A)

	Year 1	Year 2	Year 3	Year 4	Year 5	Insurance Total \$4,532
<b>Tax Credit</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Insurance</b>	\$845	\$875	\$905	\$937	\$970	\$4,532
<b>Maintenance</b>	\$61	\$451	\$390	\$1,772	\$2,125	Maintenance \$4,399
<b>Repairs</b>	\$0	\$0	\$114	\$270	\$394	\$778
<b>Taxes &amp; Fees</b>	\$187	\$0	\$86	\$0	\$86	\$359
<b>Financing</b>	\$1,639	\$1,318	\$976	\$610	\$221	\$4,764
<b>Depreciation</b>	\$6,231	\$1,771	\$1,676	\$1,966	\$1,862	\$13,506
<b>Fuel</b>	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900	\$8,963
<b>True Cost to Own®</b>	<b>\$10,651</b>	<b>\$6,154</b>	<b>\$5,938</b>	<b>\$7,400</b>	<b>\$7,558</b>	<b>\$37,701</b>

\*Based on a 5-year estimate with 15,000 miles driven per year.

[Shop now](#)

[Learn about the 2019 RAV4 >](#)

**True Cost To Own®**

**Dianna Strong**

**From:** Tyler Christiansen <Tyler@sherrellchevrolet.com>  
**Sent:** Wednesday, August 14, 2019 10:14 AM  
**To:** Dianna Strong  
**Subject:** RE: New Vehicle Bids  
**Attachments:** Morrow County Bids 8-14-19.pdf

2 Trucks  
Too big and  
too much \$

STOP and VERIFY - This message came from outside of Morrow County Government.

Attach you will find the bids requested. Let me know if you have any questions.

Thanks! Have a great day.

**Tyler Christiansen**

**Sales Manager**

**SHERRELL CHEVROLET**

2258 N First St Hermiston, OR 97838

(541) 567-6487 Phone

(541) 561-1938 Cell

(541) 567-6021 Fax

[www.sherrellchevrolet.com](http://www.sherrellchevrolet.com)

[Sherrell Facebook Page](#)

**From:** Dianna Strong <dstrong@co.morrow.or.us>

**Sent:** Tuesday, August 13, 2019 11:00 AM

**To:** jsmith@fordcountry.com; dendicott@toyotaofhermiston.com; Tyler Christiansen <Tyler@sherrellchevrolet.com>; chelsie@hermistoncdjr.com; shawn@harleyswainsubaru.com

**Subject:** RE: New Vehicle Bids

Hello,

Thank you to those who have sent bids for our consideration.

I realize I made a mistake on the date in my original message, stating that we would consider all bids received by *Wednesday, August 15*. Because of that, I am leaving the first bid time open until Thursday. If there are further bids you wish to be considered, please have them in my inbox by 8 am, August 15.

Thank you,

**Dianna Strong**

*Office Assistant*

*Morrow County Planning Dept.*

*PO Box 40, Irrigon OR 97844*

*541-922-4624 Ext. 5508*

**From:** Dianna Strong

**Sent:** Thursday, August 01, 2019 5:33 PM

**To:** 'jsmith@fordcountry.com' <[jsmith@fordcountry.com](mailto:jsmith@fordcountry.com)>; 'dendicott@toyotaofhermiston.com' <[dendicott@toyotaofhermiston.com](mailto:dendicott@toyotaofhermiston.com)>; 'tyler@sherrellchevrolet.com' <[tyler@sherrellchevrolet.com](mailto:tyler@sherrellchevrolet.com)>; 'chelsie@hermistoncdjr.com' <[chelsie@hermistoncdjr.com](mailto:chelsie@hermistoncdjr.com)>; 'shawn@harleyswainsubaru.com' <[shawn@harleyswainsubaru.com](mailto:shawn@harleyswainsubaru.com)>

**Subject:** New Vehicle Bids

Hello,

Enclosed please find a letter explaining what the Morrow County Planning Department is looking for in a new car purchase.

We appreciate any and all responses you may be able to provide. Call me with any questions, or e-mail me if you prefer.

Thank you for your assistance,

**Dianna Strong**

*Office Assistant*

*Morrow County Planning Dept.*

*PO Box 40, Irrigon OR 97844*

*541-922-4624 Ext. 5508*



## PLANNING DEPARTMENT

P. O. Box 40 • Irrigon, Oregon 97844  
(541) 922-4624 or (541) 676-9061 x 5503  
FAX: (541) 922-3472

August 1, 2019

Greetings,

The Morrow County Planning Department is looking to purchase a vehicle. We want it to be new. We are required to obtain quotes that are in alignment with pricing limitations of the Oregon State fleet. We do not have to use their actual procurement program, since we live in a rural area, but need to be able to show our due diligence in cost effectiveness.

The following are some of our needs:

- Ability to go off-road
  - At least all-wheel drive
  - Preferably 4-wheel drive
- Must seat five, at minimum
- Fog Lights

The County has specified a couple options we **may not** have:

- Leather seating
- Towing package
- Vehicle larger than mid-size

Please provide bids to our office, via e-mail or post to the address above. We will open our first round of bids on Wednesday, August 15. If we are able to make a suitable selection toward a decision, we will start the process of presenting our chosen quote to the County Board of Commissioners for approval to pursue purchase .

If you have questions, please e-mail me or give me a call. I work part-time, so my next day in the office will be Monday afternoon. Looking forward to hearing from you.

Respectfully,

Dianna Strong  
Office Assistant  
Morrow County Planning Department  
[dstrong@co.morrow.or.us](mailto:dstrong@co.morrow.or.us)  
541-922-4624 ext. 5508



## Sherrell Chevrolet Vehicle Bid

<b>Requested Vehicle</b>	<b>2019 Chevrolet Silverado 1500 LD</b>
Stock # N/A	VIN # 2GCVKMEC0K1202631 (Summit White)
MSRP	\$42,705.00
Sherrell Discount Price	\$40,536.00
20% off MSRP Rebate	-\$8,541.00
Sale Price Before Tax	\$31,995.00
.5% Oregon Privilege Tax	\$159.98
<b>Sale Price with Tax</b>	<b>\$32,154.98</b> <b>**Good Through 9/3/2019**</b>

**\*\*\*This truck is not equipped with FOG LAMPS and no fog lamp kit available\*\*\***

**\*\*\*Retail purchase added to more savings than a fleet deal. Current incentives and shown price only good through 9/3/2019.\*\*\***

Tyler Christiansen  
Sales Manager  
Sherrell Chevrolet

*Received 08/14/2019*





# Vehicle Locator

**Dealer Information**

**SHERRELL CHEVROLET, INC.**  
 2258 N FIRST STREET  
 HERMISTON, OR 97838  
 Phone: 541-567-6487  
 Fax: 541-567-6021

2GCVKMEC0K1202631

Model Year: 2019

Make: Chevrolet

Model: 1500 Silverado

CK15753-4WD Standard Box Double Cab

PEG: 1CX-CX Preferred Equipment Group

Primary Color: GAZ-Summit White

Trim: H2R-Base Cloth, Jet Black / Dark Ash, Interior Trim

Engine: L83-Engine: 5.3L, V-8, SIDI, Active Fuel Mgt

Transmission: MYC-6-Speed Automatic

Event Code: 5000-Delivered to Dealer

Order #: WWVC5X

MSRP: \$42,705.00

Order Type: TRE-Retail Stock

Stock #: 19353

Inventory Status: Available

Total Cash Allowance:\* \$4,500.00  
(Expires on 09/03/2019)**Additional Vehicle Information****GM Marketing Information**

\*\*\* May be Eligible for August % Off Customer Offer - Expires 09/03/2019 \*\*\*

**Vehicle Options**

## Chargeable Options

PCP-Custom Convenience Package

## MSRP

\$910.00

## No Cost Options

C5Z-GVW Rating 7200 Lbs

GU6-Rear Axle, 3.42 Ratio

L83-Engine: 5.3L, V-8, SIDI, Active Fuel Mgt

MYC-6-Speed Automatic

NE1-CT/MA/MD/ME/NJ/NY/OR/PA/RI/VT/WA Emissions

NZN-Wheels, 20" x 9" Chrome



## Sherrell Chevrolet Vehicle Bid

<b>Requested Vehicle</b>	<b>2019 Chevrolet Silverado 1500</b>
Stock # N/A	VIN # 1GCRYDED5KZ269774 (Shadow Grey Metallic)
MSRP	\$46,900.00
Sherrell Discount Price	\$46,400.00
20% off MSRP Rebate	-\$9,380.00
Sale Price Before Tax	\$37,520.00
.5% Oregon Privilege Tax	\$187.60
<b>Sale Price with Tax</b>	<b>\$37,707.60</b> <b>**Good Through 9/3/2019**</b>

**\*\*\*Bided price includes adding FOG LAMP kit to this truck\*\*\***

**\*\*\*Retail purchase added to more savings than a fleet deal. Current incentives and shown price only good through 9/3/2019.\*\*\***

Tyler Christiansen  
Sales Manager  
Sherrell Chevrolet

Other Options

1CX-CX Preferred Equipment Group  
A91-Tailgate Lock, Remote Controlled  
AKO-Glass, Deep Tinted  
AU3-Power Door Locks

B30-Floor Covering: Carpet, Color Keyed  
C67-Air Conditioning, Manual  
E63-Body: Pick-Up Bed / Box  
GAZ-Summit White

IOB-Radio, 7" Color Screen, Bluetooth, w/ USB Port

KC4-Cooler, Engine Oil  
KNP-Transmission Cooling System  
QT0-Tires: P275/55R20, All Season, Blackwall  
ST9-Custom Trim Package  
TRB-Grille Surround Body Color  
UE1-OnStar Communication System  
UVC-Rear View Camera System  
VB5-Bumper, Front, Body-Color  
VT5-Bumper, Rear, Body-Color  
XCQ-Tire, Spare: 265/70 R17 All Season, Blackwall  
ZY1-Paint, Solid

A31-Power Windows

AE7-Seats: 40/20/40/ Split Front Bench  
AQQ-Keyless Remote Entry

AY0-Airbags-frontal, front seat and head-curtain

C49-Defogger, Rear Window, Electric

DL8-Mirrors, O/S, Power, Heated

G80-Locking Differential, Rear

H2R-Base Cloth, Jet Black / Dark Ash, Interior Trim

K34-Cruise Control

KG4-Alternator, 150 AMP

PPA-Tailgate: EZ-Lift and Lower

SAF-Spare Tire Lock

T4F-High Intensity Discharge Headlamps

U2K-SiriusXM Satellite Radio (subscription)

UQ3-Speaker System

V76-Recovery Hooks

VK3-License Plate Front Mounting Hardware

VV4-Onstar 4G LTE Wi-Fi Hotspot

Z82-Trailer Package

"~" indicates vehicle belongs to Trading Partner's inventory

**Disclaimer:**

GM has tried to make the pricing information provided in this summary accurate. Please refer to actual vehicle invoice, however, for complete pricing information. GM will not make any sales or policy adjustments in the case of inaccurate pricing information in this summary.

Cash Allowance is calculated based on your dealer's Zip Code. Customer must take delivery by 09/03/2019.



# Vehicle Locator

**Dealer Information**

**SHERRELL CHEVROLET, INC.**  
 2258 N FIRST STREET  
 HERMISTON, OR 97838  
 Phone: 541-567-6487  
 Fax: 541-567-6021

1GCRYDED5KZ269774

Model Year: 2019

Make: Chevrolet

Model: 1500 Silverado

CK10753-4WD Standard Box Double Cab

PEG: 1LT-1LT Preferred Equipment Group

Primary Color: GJI-Shadow Gray Metallic

Trim: H0U-1WT/1LT/1SP/2LT-Cloth, Jet Black, Interior Trim

Engine: L84-Engine: 5.3L, EcoTec3 V-8, DI, Dynamic Fuel Mgt, V V T

Transmission: MQE-8-Speed Automatic

Event Code: 5000-Delivered to Dealer

Order #: WPNJQB

MSRP: \$46,900.00

Order Type: TRE-Retail Stock

Stock #: 19408

Inventory Status: Available

Total Cash Allowance:\* \$4,750.00  
(Expires on 09/03/2019)**Additional Vehicle Information****GM Marketing Information**

\*\*\* May be Eligible for August % Off Customer Offer - Expires 09/03/2019 \*\*\*

**Vehicle Options**

Chargeable Options	MSRP
1SZ-ALL-STAR EDITION DISCOUNT	-\$500.00
JL1-Integrated Trailer Brake Controller	\$275.00
L84-Engine: 5.3L, EcoTec3 V-8, DI, Dynamic Fuel Mgt, V V T	\$1,395.00
PCM-1LT/1SP/2LT Convenience 2 Package	\$920.00
PDU-1LT/1SP All-Star Edition	\$2,815.00
PZX-Wheels: 18" Aluminum	\$300.00

**No Cost Options**

C5W-GVW Rating 7000 Lbs  
 GU5-Rear Axle: 3.23 Ratio  
 MQE-8-Speed Automatic  
 NE1-CT/MA/MD/ME/NJ/NY/OR/PA/R/VT/WA Emissions

Other Options

1LT-1LT Preferred Equipment Group  
A48-Window, Power Rear Sliding  
ATH-Keyless Open & Keyless Start  
AZ3-Seats: Front 40/20/40 Split-Bench, Full Feature  
BTV-Remote Engine Starting Pkg  
CJ2-Climate Control, Electronic - Multi-zone  
E63-Durabed  
GJI-Shadow Gray Metallic  
  
IOS-Chevrolet Infotainment Plus, 8" Color Screen  
KA1-Heated Seats, Front  
KI3-Heated Steering Wheel  
KNP-Transmission Cooling System  
N06-STEERING COLUMN LOCK ELECTRICAL  
  
NP5-Steering Wheel: Leather Wrapped  
QDF-Tires: 265/65 R18 All Season, Blackwall  
  
SAF-Spare Tire Lock  
U2L-High Definition Radio Reception  
UF2-Lighting, Cargo Box, LED  
UK3-Radio Controls -Steering Wheel  
UTJ-Theft Protection System, Unauthorized Entry  
V46-Bumper, Front, Chrome  
VJH-Bumper: Rear Chrome Step  
XCQ-Tire, Spare: 265/70 R17 All Season, Blackwall

A2X-Power Seat Adjuster (Driver's Side)  
AKO-Glass, Deep Tinted  
AU3-Power Door Locks  
B30-Floor Covering: Carpet, Color Keyed  
  
C49-Defogger, Rear Window, Electric  
DLF-Mirrors, O/S, Power, Heated  
G80-Locking Differential, Rear  
H0U-1WT/1LT/1SP/2LT-Cloth, Jet Black, Interior Trim  
K34-Cruise Control  
  
KC4-Cooler, Engine Oil  
KI4-110 Volt Electrical Receptacle, In Cab  
KW7-Alternator, 170 AMP  
N37-Steering Column, Manual Tilt & Telescoping  
PCL-1LT/1SP/2LT Convenience 1 Package  
QT5-Tailgate Function--EZ Lift, Power Lock & Release  
U2K-SiriusXM Satellite Radio (subscription)  
UE1-OnStar Communication System  
UG1-Homelink Garage Door Opener  
USS-RECEPTACLE USB CHARGE PORT  
UVB-Rear Vision Camera, HD  
  
V76-Recovery Hooks  
VK3-Front License Plate Mounting Provisions  
Z82-Trailer Package

"~" indicates vehicle belongs to Trading Partner's inventory

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GM has tried to make the pricing information provided in this summary accurate. Please refer to actual vehicle invoice, however, for complete pricing information. GM will not make any sales or policy adjustments in the case of inaccurate pricing information in this summary.

Cash Allowance is calculated based on your dealer's Zip Code. Customer must take delivery by 09/03/2019.



**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

Orchard Winds has proposed a 40 MW wind project in Morrow County.

The project will consist of 16 wind towers and involves two land owners.

The final draft of the Strategic Investment Program (SIP) agreement is being brought to the Board of Commissioners for review and discussion.

**2. FISCAL IMPACT:**

**3. SUGGESTED ACTION(S)/MOTION(S):**

Review, accept and sign.

Attach additional background documentation as needed.

**OREGON STRATEGIC INVESTMENT PROGRAM AGREEMENT  
“ORCHARD WIND PROJECT”**

MORROW COUNTY, a political subdivision of the State of Oregon (“**County**”), and the following Oregon limited liability companies: Orchard Windfarm 1, LLC, a Delaware limited liability company authorized to do business in the State of Oregon; Orchard Windfarm 2, LLC, a Delaware limited liability company authorized to do business in the State of Oregon; Orchard Windfarm 3, LLC, a Delaware limited liability company authorized to do business in the State of Oregon; and Orchard Windfarm 4, LLC, a Delaware limited liability company authorized to do business in the State of Oregon (individually a “**Project Entity**” and, collectively, the “**Project Entities**”), hereby enter into this Strategic Investment Program (“**SIP**”) Agreement (“**Agreement**”) as of August \_\_, 2019 (“**Effective Date**”), for a wind energy resource with installed capacity up to 40 MW to be located in the County. The County and the Project Entities are sometimes referenced in this Agreement individually as “**Party**” and collectively as “**Parties.**”

**WITNESSETH:**

**WHEREAS**, the Oregon Legislature has established the SIP to promote industrial competitiveness and to improve employment in the area where projects are to be located by encouraging businesses engaged in projects to hire local employees (see ORS 307.123 and ORS 285C.600 - 285C.620); and

**WHEREAS**, the SIP encourages local governments to enter into agreements with key industries to attract and retain long-term investment and employment; and

**WHEREAS**, the Project Entities propose to build and operate in the County a commercial wind energy generation project, known as Orchard Wind Projects, pursuant to a certificate issued by the Morrow County Planning Commission, as that certificate may be amended from time to time (“**Site Certificate**”), for a facility capacity up to 40 MW and total number of turbines up to 16; and

**WHEREAS** the Project is expected to create temporary construction jobs and permanent full-time jobs in the County; and

**WHEREAS** the Project Entities shall utilize local Morrow County businesses to the maximum extent possible, while also considering cost effectiveness of the Project, which benefits the County; and

**WHEREAS**, the Project Entities and the County have negotiated this Agreement, and the Project Entities have provided the County with a copy of the draft SIP application to be filed with Oregon Economic and Community Development Department (“**OECD**”), which application is to be updated by the Project Entities as part of its fulfillment of applicable requirements under State law (the “**Application**”); and



**WHEREAS**, it is the intent of this SIP Agreement to provide the competitive tax structure in the County that is essential for the Project Entities to provide a source of renewable energy in Oregon and to contribute to the State of Oregon's quality of life; and

**WHEREAS**, the Parties have provided public information and an opportunity for public input regarding SIP generally and the Project Entities' SIP application specifically, including a formal public hearing on this Agreement held in Morrow County on August 28, 2019, and;

**WHEREAS**, this Agreement provides the terms and conditions under which the County agrees to recommend to the State that the Project Entities' SIP application be approved and tax abatement be granted for the Project, as defined below, in exchange for performance by the Project Entities of their obligations as specified herein;

**NOW, THEREFORE**, in consideration of the mutual covenants of the Parties, each to the other giving, the Parties do hereby agree as follows:

1. **Project Definition and Scope.** The "Project" means all tangible and intangible Property (whether held in fee, leasehold or by contract) having the County as its tax situs, consisting of the wind turbine generators which may be installed or placed in service in phases or stages in the County during the term of this Agreement, as well as all associated property (the "Associated Property"), including, without limitation, roads and civil construction work, meteorological monitoring towers, operations and maintenance facilities, foundations, inverters, transformers, collection and transmission lines, electrical towers and poles, underground and overhead electrical conductors, one or more substations, land, and associated supporting infrastructure and facilities, as more fully described in the Application. Unless otherwise determined by the Project Entities as described below, the Project further includes repairs, replacements, modernization, renovations, and remodeling of such Property made during the term of this Agreement. For purposes of this Agreement, the Project shall first exist when the real market value of the foregoing Property is at least \$25 million. Subject to the Site Certificate and State and local land use laws, the Project Entities may add to (up to a maximum nameplate capacity of 40 MW) or subtract from (but not below \$25 million) the Property that constitutes the Project (including repairs, replacements, modernization, renovations or remodeling). For purposes of this Agreement, "Property" has the meaning assigned to that term in ORS 308.505 through 308.681. In the event the Project Entities desire to repower or expand the Project within the SIP Exemption Period, the County shall have the right to re-open negotiation of a new Additional Amount," as defined in Section 4.2.3, regarding the amount of any increase in Project installed electrical capacity, and repowering or expansion shall not occur until such renegotiation is concluded, or the parties agree to waive this provision, to the satisfaction of each Party.

2. **SIP Exemption Period.** The "SIP Exemption Period" shall begin, as defined in ORS 307.123(1)(b), in and for the Property Tax Year during which the

Project commences Commercial Operation and has a real market value equal to, or in excess of, \$25 million, and shall continue thereafter for 15 Property Tax Years as provided by ORS 307.123(1)(b). As used in this Agreement, "Commercial Operation" shall mean that the Project first produces electrical energy and that electrical energy is transmitted into the regional transmission grid for delivery to a power purchaser, and "Property Tax Year" means each period of 12 months beginning July 1.

3. **Condition Precedent.** Except for the obligations set forth in Sections 5.1 and 6.1, the obligations set forth herein are conditioned upon a determination by the OECDD, or its designee, that the Project is eligible for the tax exemption provided in ORS 285C.606, ORS 307.123, and applicable administrative rules.

4. **Exemption, Payments and Related Obligations.**

4.1 For each Property Tax Year during the SIP Exemption Period, on or before October 25, the County shall submit to the Project Entities a statement describing its calculations and an invoice for amounts due under this Agreement. The invoiced amounts shall be paid by the Project Entities no later than the following December 1.

4.2 In consideration for participating in the SIP with respect to the Project, the Project Entities agree to pay the amounts as set forth below:

4.2.1 Ad Valorem Property Taxes on Non-Exempt Amounts. The assessed value of the Project up to the applicable non-exempt amount provided by ORS 307.123(2)(a), subject to annual increase at the rate of three percent (3%), shall be taxable at its assessed value as provided by ORS 307.123 and 308.146. Property taxes on such value will be payable in accordance with ORS 311.505. The remainder of the real market value of the Project shall be exempt from taxation as provided by ORS 307.123.

4.2.2 Community Service Fee ("CSF"). For each year of the SIP Exemption Period, the Project Entities shall pay to the County a CSF, in an amount equal to twenty-five percent (25%) of the taxes that would, but for the exemption, be due on the exempt Property in each assessment year, but not exceeding \$2,500,000 in any Property Tax Year. The CSF will be calculated pursuant to ORS 285C.609(4)(b)(B).

4.2.3 Additional Amount. In addition to the amounts described in Sections 4.2.1 and 4.2.2, the Project Entities shall pay to the County

four hundred thousand two hundred and fifty dollars (\$400,250) over the course of the SIP Exemption Period as follows:

Year 1: \$2,600  
Year 2: \$4,850  
Year 3: \$7,100  
Year 4: \$9,350  
Year 5: \$11,600  
Year 6: \$13,850  
Year 7: \$16,100  
Year 8: \$18,350  
Year 9: \$20,600  
Year 10: \$22,850  
Year 11: \$25,100  
Year 12: \$27,350  
Year 13: \$29,600  
Year 14: \$31,850  
Year 15: \$159,100

4.3 SIP Application. The Project Entities shall file a SIP application with the State and pay all applicable fees as provided in ORS 285C.612 and applicable administrative rules.

4.4 First-Source Hiring Agreement. The Project Entities shall enter into first-source hiring agreements with an appropriate third party acceptable to the County in substantially the form required pursuant to OAR 123-070-1000 to -1900. The County is to be designated a third-party beneficiary of the agreement and is entitled to enforce its terms. If the third-party provider is unable to perform the first-source hiring agreement to the satisfaction of the Project Entities or the County, then the Parties shall cooperate in procuring the services of a substitute provider.

4.5 Property Tax Statements and Information. The Project Entities shall notify the County on an annual basis, at the time of the filing with the Oregon Department of Revenue (“DOR”) of the annual statement for property tax purposes covering the Project, of the connected nameplate capacity (in Megawatts) of the Project as of January 1 of that year.

4.6 State Road Repair Agreement. The Project Entities agree to coordinate with and reasonably satisfy requests of Oregon Department of Transportation (ODOT) for repair of any State highways impacted by project construction traffic and, in addition, reimburse County its direct, out-of-pocket cost of any repair or extraordinary maintenance of County roads resulting from the Project Entities' construction.

## 5. County Obligations.

5.1 Within 9 days after the Effective Date, the County shall request that the OECDD determine that the Property constituting the Project be granted exemption from ad valorem Property taxation for each Property Tax Year of the SIP Exemption Period.

5.2 The County shall be solely responsible for determining how to dispose of the CSF (pursuant to Oregon rules and statute) and the Additional Amount, including paying any portions that are due or payable to any other jurisdictions. In no event shall the Project Entities have any liability in connection with any disagreement, error, or conflict between the County and any other jurisdiction related to the division, allocation, or distribution of such amounts. In no event shall the Project Entities have any liability or obligation to any other person with respect to the CSF or the Additional Amount after it has discharged its duty to pay as set forth in Section 4 above, and the County shall hold the Project Entities harmless with respect to any claims to the contrary, to the extent allowed and permitted by the Oregon Constitution and other Oregon laws.

6. **Joint Obligations.** In addition to the other obligations set forth in this Agreement, the Parties shall:

6.1 Cooperate with the OECDD and the DOR to secure approval of the SIP and take such steps as may, from time to time, be reasonably necessary to maintain the Project's tax exemption.

6.2 Provide such information and resources to each other as may be reasonably necessary to ensure proper calculation of the amounts due under this Agreement.

7. **Ad Valorem Property Taxes.** Nothing herein shall govern the assessment, payment, or collection of ad valorem property taxes on the portion of the Project that is taxable as described in Section 4.2.1 of this Agreement or on Property unrelated to the Project.

8. **Miscellaneous Provisions.**

8.1 The laws of the State of Oregon shall govern this Agreement. Venue is in the Circuit Court of the State of Oregon for the County of Morrow. The Parties agree that in case of any disputes that arise under this Agreement, they shall first attempt to resolve such disputes through good-faith negotiations between authorized representatives for both Parties for a period of thirty (30) days before filing any litigation.

8.2 The Project Entities shall cause to be installed and utilize an Aircraft Detection Lighting System (ADLS) on each wind tower installed in the

Project, so long as use has been authorized by the Federal Aviation Administration (FAA) and comply with all FAA rules and regulations.

8.3 Unless defined herein, the terms herein shall be given their normal and customary meaning, except that terms relating to the payment of Property taxes and fees included in this SIP agreement shall be construed consistently with the tax laws and rules of the State of Oregon. No provision shall be construed against a Party simply because that Party drafted the provision.

8.4 Failure to make payment in full of the CSFs or the Additional Amounts by the due date shall result in interest being charged on the past due balance in the same amount as is provided by law for late payment of ad valorem property taxes.

8.5 If the Project Entities fail to pay the CSF by the end of a Property Tax Year in which it is due, the tax exemption for the Project shall be revoked, and the property shall be fully taxable for the following Property Tax Year and for each subsequent Property Tax Year for which the CSF remains unpaid. If an unpaid CSF is paid after the exemption is revoked, the property shall again be eligible for the exemption, beginning with the Property Tax Year after the payment is made. Reinstatement of the exemption shall not extend the 15-year SIP Exemption Period.

The County shall have the right to enforce payment of any and all amounts due to it by the Project Entities and/or any permitted assignee (including interest, as provided in Section 8.4) through an appropriate action to collect such amounts. In the event suit or action is instituted to enforce compliance with any of the terms, covenants, or conditions of this Agreement, or to collect the payment amounts due hereunder, if the Project Entities are found to be in default of this Agreement, it agrees to pay in addition to the costs and disbursements provided by statute, such additional sums as the court may adjudge reasonable for attorney fees, consulting fees, and other out-of-pocket expenses allowed plaintiff in any suit or action, provided County is the prevailing party. The Project Entities also agree to pay and discharge all reasonable costs and expenses actually incurred, including County's reasonable attorney fees, reasonable consulting fees, and other reasonable expenses that arise from enforcement of any provisions of this Agreement, even though no suit or action is commenced.

8.6 The County and the Project Entities hereby agree to this Agreement in its entirety. The Parties understand and agree that the County will only get the full benefit of its bargain if it receives all payments covered by this Agreement. The "Default Amount" shall mean the amount equal to Minimum Revenue Amount for the Property Tax Year in which the Default occurred, multiplied by the number of Property Tax Years remaining in the SIP Exemption Period. "Default" shall mean the material breach of this Agreement by the Project

Entities that is not cured default within thirty (30) days after the Project Entities receive notice thereof from the County.

8.6.1 In the event that the Project Entities fail to pay the amounts due pursuant to Sections 4.2.2 and 4.2.3 for a given Property Tax Year, then in addition to any other remedies allowed at law or in equity, the following shall apply:

8.6.1.1. This Agreement and the SIP exemption may thereupon be terminated at the County's election after thirty (30) days' written notice to the Project Entities.

8.6.1.2. The Project Entities shall thereupon be obligated to pay to the County the Default Amount, which shall represent the County's liquidated damages. The County shall submit to the Project Entities an invoice for the amount of liquidated damages due, together with a statement setting forth its calculations. If the Project Entities become liable for liquidated damages under this provision, it shall pay such invoiced amounts on or before sixty (60) days after its receipt of the County's invoice; provided, however, in the event the Project Entities do not agree with the County's calculations, the Project Entities and the County shall attempt to resolve such disputes through good faith negotiations between authorized representatives of each Party to occur during such sixty (60) day period.

8.6.2 In accordance with Oregon law, in the event of an overpayment of the CSF or any Additional Amount, the County shall either issue an overpayment refund check or return the incorrect payment and request that the Project Entities reissue payment in the correct amount. In the event of a return of overpayment, the County assessor shall establish a reasonable schedule for payment of the amount actually due under this Agreement.

8.6.3 If the Project Entities fail to pay the CSF or any Additional Amount by the end of the Property Tax Year in which it is due, and no cure is made within thirty (30) days after the Project Entities receive written notice from the County of such failure, the tax exemption for the Project shall thereupon be suspended. The Property shall thereupon be fully taxable for the following Property Tax Year and for each subsequent Property Tax Year for which the amounts due under this Agreement remain unpaid. If the unpaid amounts are paid after the exemption is suspended, the Property shall again be eligible for the exemption, beginning with the Property Tax Year after the payment is made. Reinstatement of the exemption shall not extend the 15-year exemption period.

8.7 All notices and other communications required or permitted under this Agreement shall be in writing and shall be either hand delivered in person, sent by facsimile, sent by certified or registered first-class mail, postage pre-paid, or sent by nationally recognized express courier service. Such notices and

other communications shall be effective upon receipt if hand delivered or sent by facsimile, three days after mailing if sent by mail, and one day after dispatch if sent by express courier, to the following addresses, or such other addresses as either Party may notify the other Party in accordance with this Section 8.5.

If to the Project Entities, to:

[Orchard Wind Project]

[c/o D. E. Shaw & Co. L.P.

1166 Avenue of the

Americas, 9<sup>th</sup> Floor]

[New York, NY 10036]

Telephone No.: 212-478-

0000

Attention: Property Tax

Manager

Email:

desri-project-

tax@deshaw.com

If to County, to:

Morrow County Assessor

Post Office Box 247

Heppner, Oregon 97836

Facsimile No.: 541-676-5610

Telephone No.: 541-676-5607

Attention: County Assessor

9. **Merger.** This Agreement constitutes the complete and exclusive agreement between the Parties with respect to the SIP, and supersedes all prior agreements and proposals, oral or written and any other communication between the Parties on this matter. No waiver, modification, amendment or other change will be binding on either Party, except as a written addendum, signed by authorized agents for both Parties.

10. **Assignment.** Upon prior written notice to the County, but without prior approval by the County, the Project Entities may assign their rights and release their obligations under this Agreement to any assignee of their choosing; provided, however, that the assignee must satisfy all applicable requirements under ORS 285C.600 to 285C.620 and must agree to assume the obligations, conditions, requirements, and other terms of this Agreement and, further provided, that no assignment shall be permitted unless all payments due the County under this Agreement, as of the date of the assignment, have been paid in full.

11. **Term.** The term of this Agreement shall extend from the effective date, specified below, until the date on which the Project Entities shall have made the last installment payment, they are obligated to make to the County pursuant to Section 4.2.3, provided the Project Entities are not in default under the terms of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective the \_\_\_ of August, 2019

**MORROW COUNTY**

\_\_\_\_\_  
Jim Doherty, Chair

\_\_\_\_\_  
Don Russell, Commissioner

\_\_\_\_\_  
Melissa Lindsay, Commissioner

**ORCHARD WINDFARM 1, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ORCHARD WINDFARM 2, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ORCHARD WINDFARM 3, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ORCHARD WINDFARM 4, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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## **1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

It is finally complete!

Today's discussion on the Housing Strategies Report is the culmination of many months of work with the five communities within Morrow County focusing on a buildable lands inventory and housing analysis. This work was done with support from Angelo Planning Group and Johnson Economics, supporting both a Project Management Team (Planning Director and a representative from each community) and a Technical Advisory Committee (the PMT plus other representatives).

The work products received to date include 1) the Housing Strategies Report which includes a number of attachments, 2) a summary memorandum advising the five communities how to move forward with adoption of the Housing Strategies Report and proposed Goal 10 Housing amendments, and 3) advise to Morrow County on how to move to our next phase of housing work that will include a Goal 10 Housing amendment as well as work on a variety of text amendments to the Zoning (and possibly the Subdivision) Ordinance.

To support the discussion included for your review is a process memorandum from the consultant team and the Housing Strategies Report. Also included is a DRAFT Resolution to be considered for inclusion on an upcoming Consent Calendar to adopt the Housing Strategies Report.

## **2. FISCAL IMPACT:**

At this point the project has come in under budget!

There will be a Phase II with an anticipated budget in the ballpark of \$40,000 to \$45,000 for Morrow County work. This budget could be larger if other communities work with us on additional housing work.

## **3. SUGGESTED ACTION(S)/MOTION(S):**

As your Planning Director I recommend the motion, "I move to adopt the Housing Strategies Report and direct staff to prepare the Adoption Resolution for inclusion on the next Consent Calendar."

Attach additional background documentation as needed.

**BEFORE THE BOARD OF COMMISSIONERS  
FOR MORROW COUNTY, OREGON**

A RESOLUTION ADOPTING THE MORROW COUNTY	)	Resolution Number
HOUSING STRATEGIES REPORT DATED JUNE 2019	)	R-2019-18
AS A GUIDANCE DOCUMENT IN SUPPORT OF	)	
CONTINUED WORK RELATED TO GOAL 10 HOUSING	)	

**WHEREAS**, Oregon Revised Statute 203.035 authorizes Morrow County to exercise authority within the county over matters of County concern; and

**WHEREAS**, Morrow County adopted a Comprehensive Land Use Plan which was first acknowledged by the Land Conservation and Development Commission on January 15, 1986; and

**WHEREAS**, in early 2018 Morrow County entered into an Intergovernmental Agreement with the Cities of Boardman, Heppner, Ione and Irrigon and the Town of Lexington, referred to as the Project Management Team, to accomplish a Buildable Lands Inventory and Housing Analysis through a Request for Proposal process; and

**WHEREAS**, the Project Management Team selected Angelo Planning Group to accomplish the necessary work tasks; and

**WHEREAS**, the Project Management Team worked with others as the Technical Advisory Committee to review the work completed by Angelo Planning Group; and

**WHEREAS**, the Technical Advisory Committee met numerous times to review deliverables from Angelo Planning Group; and

**WHEREAS**, the Morrow County Planning Commission and Board of Commissioners held a joint work session on July 30, 2019, at the Bartholomew Building in Heppner, Oregon; and

**WHEREAS**, the Morrow County Board of Commissioners accepted the 2019 Morrow County Housing Strategies Report and approved it as presented with a 3-0 vote on August 28, 2019.

**NOW THEREFORE BE IT RESOLVED THAT THE MORROW COUNTY BOARD OF COMMISSIONERS ADOPTS THE 2019 MORROW COUNTY HOUSING STRATEGIES REPORT TO SERVE AS GUIDANCE TO CONTINUED WORK IN UPDATING THE MORROW COUNTY COMPREHENSIVE PLAN GOAL 10 HOUSING AND THE MORROW COUNTY ZONING ORDINANCE RELATIVE TO HOUSING DEVELOPMENT AND SITING.**

**Section 1 Title of Resolution:**

This Resolution shall be known, and may be cited, as the “2019 HOUSING STRATEGIES REPORT.”

**Section 2 Affected and Attached Documents:**

The June 2019 Morrow County Housing Strategies Report designed to serve as guidance to continued work in updating the Morrow County Comprehensive Plan Goal 10 Housing and the Morrow County Zoning Ordinance relative to housing development and siting.

**Section 3 Effective Date:**

This Resolution shall be effective immediately upon its adoption.

**ADOPTED BY THE MORROW COUNTY BOARD OF COMMISSIONERS THIS 4<sup>TH</sup> DAY OF SEPTEMBER 2019.**

**BOARD OF COMMISSIONERS OF  
MORROW COUNTY, OREGON**

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Jim Doherty, Chair

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Melissa Lindsay, Commissioner

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Don Russell, Commissioner

Approve as to Form:

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Morrow County Counsel



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MEMORANDUM

## Roadmap to Comprehensive Plan Amendments Adoption Morrow County Housing Study

DATE July 12, 2019  
TO Morrow County Housing Study Technical Advisory Committee  
FROM Matt Hastie, Brandon Crawford, and Jamin Kimmell, Angelo Planning Group  
CC Brendan Buckley and Jerry Johnson, Johnson Economics

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### OVERVIEW

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Angelo Planning Group (APG), in partnership with Johnson Economics, assisted Morrow County with a Housing Study for Morrow County and five of its cities – Boardman, Irrigon, Lone, Lexington and Heppner. The study included a Buildable Lands Inventory (BLI) for residential land in each city and a Housing Needs Analysis (HNA), which analyzed current residential trends/needs, forecasted future housing needs, and reconciled the County’s housing demand (need) with supply (buildable land). Based on the HNA results, the consultant team developed a Housing Strategies Report (Report) identifying approaches the County and cities can pursue to meet their housing needs.

The next step for Morrow County and its cities (as a follow-up to the County Housing Study) will be for each jurisdiction to update the Housing chapter of its Comprehensive Plan. Typically, each Housing chapter would include the following types of information:

- Findings and supportive narrative associated with existing and future housing needs.
- Comprehensive Plan policies for housing.
- A brief summary of recommended measures that each community can consider in the future and use to help meet future housing needs.

APG has drafted a starting set of these materials for each jurisdiction’s Housing Element of their Comprehensive Plan. They are provided in underline/strikethrough format to indicate the existing Comp Plan information which would be deleted, added or revised. The Morrow County Housing Needs Study, which includes Housing Needs Projections, Buildable Lands Inventory figures/maps, and recommended housing measures, would be referenced in each Comprehensive Plan as a supporting or ancillary document to the Plan.

The remainder of this memo summarizes the steps needed for each jurisdiction to update its Comprehensive Plan, along with a summary of findings from the HNA, BLI, and Housing Strategies

Report, for reference and as potential additional information which could be incorporated in the jurisdictions' Comprehensive Plan updates.

## COMPREHENSIVE PLAN AMENDMENT ADOPTION PROCESS

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We assume that each Morrow County jurisdiction would take the following steps when adopting the recommended Comprehensive Plan Housing Element updates. These steps are representative of standard procedures and best practices that communities should consider when amending their Comprehensive Plan. Additionally, this process is a necessary component for ensuring compliance with Oregon's Statewide Planning system. However, the steps would need to be tailored to legislative processes required in each jurisdiction's municipal or development code.

### 1. Identify Community Outreach Timeline and Approach

Each city should decide whether to conduct any public meetings or other outreach beyond the required public hearings with its Planning Commission or City Council. A more informal public meeting can be a good opportunity for interested community members to learn and ask questions about the proposed Comprehensive Plan in a somewhat less formal or potentially intimidating than a more formal public hearing.

### 2. Draft Comprehensive Plan Chapter

The jurisdiction will use the information the consultant team provided to prepare a draft Comprehensive Plan Housing chapter, which includes a combination of background information, findings, goals, policies and strategies. APG has provide a base set of information extracted from the Morrow County Housing Study reports. Each city and the County can supplement this information with additional narrative related to current or expected future housing issues or conditions, as desired.

### 3. Conduct Community Meetings

The jurisdiction will conduct any community meetings or other activities identified in the community outreach process that was formulated as part of Task 1 above.

### 4. Update Draft Comprehensive Plan Chapter

The City or County will update the draft narrative, findings and policies, as needed to address results of outreach activities undertaken above.

### 5. Planning Commission and/or City Council Work Sessions

The City may want to conduct one or more informal work sessions with its Planning Commission and/or City Council, either separately or jointly to review and discuss the proposed Comprehensive Plan amendments prior to the formal hearing process and answer any questions that may arise. This step

would be optional and will depend on each city's standard practice and the degree to which additional presentation or discussion is needed or desired in advance of the hearings.

## 6. Public Hearings for Draft

Each jurisdiction will schedule a public hearings process to review and adopt the updated Comprehensive Plan Housing chapter. The schedule will be based on noticing requirements (see below), as well as the City/County regular meeting schedule and availability of time on upcoming meeting agendas.

## 7. Public and DLCD Notice

Each jurisdiction will provide public notice of the hearings, consistent with is legislative amendments procedural requirements. The jurisdiction also will provide notice to the Oregon Department of Land Conservation and Development (DLCD) 35 days in advance of the first public hearing per state requirements. This notice is completed online and needs to be accompanied by a draft set of proposed Comp Plan amendments. Local notice will be guided by local noticing procedural requirements.

## 8. Prepare Adopting Ordinance and Findings

In advance of the hearings, the jurisdiction will need to prepare an adopting ordinance and findings, including findings of consistency with Statewide Goal 10.

## 9. Conduct Planning Commission and City Council Hearings

The final step in the process is to conduct Planning Commission and City Council public hearings to adopt the proposed Comprehensive Plan amendments.

# HOUSING NEEDS ANALYSIS AND BUILDABLE LANDS INVENTORY FINDINGS

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This section provides a broad overview of the findings of the Buildable Lands Inventory (BLI) and Housing Needs Analysis (HNA) reports. Those reports describe detailed information about analysis, methodology, and data associated with future projections and inventory work. As noted previously, APG has prepared a draft set of narrative, findings and policies for each city in the County which can be incorporated in their Housing chapter update. The following additional information can be used to supplement those findings, if needed.

## Buildable Lands Inventory Findings

- **Morrow County.** The unincorporated areas of Morrow County have the greatest amount of buildable residential land among the jurisdictions in the County (about 3,500 acres). However, as most of this land is zoned for low-density, rural residential uses with a density of 1-2 units per net acre. Most of this land is not located in close proximity to the employment centers in the cities, which limits the potential demand for residential

construction. Lands that are in close proximity to cities with good transportation access, yet outside UGBs and unable to be served with urban infrastructure, may be good candidates for continued rural housing development.

- **Boardman.** The City of Boardman has the greatest capacity for residential development based on this analysis. The City has approximately 518 acres of buildable residential land and an estimated capacity for approximately 2,056 housing units. Several large properties are under single ownership, with owners who historically have been uninterested in housing development on their properties.
- **Irrigon.** The City of Irrigon has some capacity for residential development with approximately 196 acres of buildable land and zoned capacity for approximately 388 housing units. However, a large share of the buildable land is concentrated in several large parcels that are under farm use and may not be available for development in the short term. Additionally, a few large parcels are constrained or difficult to serve, limiting the housing unit capacity on these parcels.
- **Heppner.** A large share of the buildable land zoned for residential uses in Heppner is located in places that were classified as Difficult to Serve. Approximately 77% of the City’s buildable lands are located in such areas, which are predominantly sites that are on hilltops or constrained by slopes. Street access to these sites is costly and difficult. Nearly all of the land area in the City’s R3 zone, the only residential zone that allows for multi-family housing outright, is classified as Difficult to Serve. Thus, 84% of the estimated citywide housing unit capacity is located on Difficult to Serve parcels.
- **lone.** Similar to Heppner, development is constrained in lone by steep slopes and floodplains. A large share of the buildable land is located in areas classified Difficult to Serve. There are several potentially buildable parcels in a hilly subdivision in the northeast part of the City, however, the total capacity for residential development is limited by the slopes, transportation access, and availability of water infrastructure.
- **Lexington.** The Town of Lexington faces similar constraints at lone and Heppner, and most of the capacity for residential units is found in parcels that are classified Difficult to Serve.

Jurisdiction	Potentially Buildable Acres			Housing Unit Capacity		
	Difficult to Serve	Partially Vacant	Vacant	Difficult to Serve	Partially Vacant	Vacant
Morrow County	267	1,867	1,321	454	782	660
Boardman	--	19	499		75	1,981
Heppner	204	36	24	715	90	38
lone	34	2	20	24	6	16
Irrigon	34	24	138	32	16	340
Lexington	25	19	29	28	10	28
<b>Total</b>	<b>563</b>	<b>1,968</b>	<b>2,032</b>	<b>1,253</b>	<b>979</b>	<b>3,063</b>



## Housing Needs Analysis Findings

- Growth rates have differed across the Morrow County communities, with Boardman and Irrigon experiencing the most growth, and the small communities to the south experiencing more modest growth.
- The growth rates used in this analysis predict the greatest growth in Boardman at 1.4% annually, and 1% annually in Irrigon which would be in keeping with average state growth since 2000. Other areas are projected to grow more slowly.
- Compared to the state average, Morrow County has a much larger share of households with children and a smaller share of the population over 65. The smaller rural communities tend to have fewer households with children while, the largest towns have more. Overall, the county population has fewer senior citizens than the statewide average, but the small rural communities have more.
- The ownership rate in Morrow County has fallen slightly from 73% since 2000. During this period the statewide rate fell to 61%. Nationally, the homeownership rate is 65%.
- Housing stock across the county is mostly single-family detached homes and mobile homes, with relatively few attached housing units, though recently more have been developed or proposed.
- Boardman and Irrigon are projected to need the most new housing, with smaller communities projected to need less. Unincorporated areas are anticipated to lose some housing as existing areas are annexed to urbanized areas over time.

The following table summarizes finding related to growth in households, as well as new units needed. The number of housing units varies from projected new households in some cases based on assumptions related to current and future vacancy rates and the potential need for replacement housing in some cities.

Jurisdiction	2018 Hsg. Inventory	2039 Hsg. Need	NEW Units Needed	20-Year Growth
Unincorporated	1,717	1,585	-177	-10%
Boardman	1,247	1,788	542	43%
Heppner	607	629	29	5%
Ione	154	155	13	9%
Irrigon	792	945	153	19%
Lexington	101	92	17	16%
<b>County Total</b>	<b>4,617</b>	<b>5,195</b>	<b>577</b>	<b>13%</b>

## COMPREHENSIVE PLAN HOUSING POLICIES

The Housing Element of local Comprehensive Plans establish the policies that guide residential development in each community. These policies are important because they institute aspirational goals and principles for meeting the housing needs of the community. The policies are also important because they establish formal criteria and guidelines for land use decisions that pertain to housing. Per state land use law, individual development applications, single-parcel zone changes, and broader zoning amendments must all demonstrate consistency with the housing policies of the comprehensive plan.

As part of the Morrow County Housing Study, the project team identified a set of housing policy objectives and assessed each jurisdiction's existing Comprehensive Plan for consistency with these objectives. The degree to which each comprehensive plan currently addresses the remaining 10 policy issues varies. These policy issues and identified need for additional policy language is summarized in the table below, and an example policy statement is provided to demonstrate one way to articulate the policy idea.

APG has provided a draft set of potential policy amendments for each jurisdiction consistent with this assessment. Jurisdictions are encouraged to modify and tailor policy language further, as needed, with input from community members and decision-makers, to best reflect local needs and conditions. This also presents an opportunity for the community to consider and find how these issues fit within the broader comprehensive plan policy goals, such as transportation, livability, and economic vitality.

<b>Policy Issue</b>	<b>Applicable Jurisdiction(s)</b>	<b>Example Language</b>
<b>1. Emphasize affordable housing</b>	Heppner, Lexington	<i>The City shall support the creation of housing that is affordable to low- and moderate-income households.</i>
<b>2. Support partnerships</b>	Heppner, Lexington	<i>The City shall seek partnerships with non-profit housing developers and other agencies to create the opportunity to provide moderate-and low-income housing and rehabilitation activities within the City.</i>
<b>3. Affirm Fair Housing goals</b>	Morrow County, Boardman, Heppner, lone, Lexington	<i>The City shall employ strategies that support the Fair Housing Act and affirmatively further fair housing.</i>
<b>4. Support mixed use development</b>	Heppner, lone, Lexington, Irrigon	<i>The City shall allow for a mix of residential uses with other compatible uses in appropriate locations.</i>
<b>5. Reference and support ADUs</b>	All	<i>The City shall allow and support the development of Accessory Dwelling Units in all residential zones.</i>

<b>Policy Issue</b>	<b>Applicable Jurisdiction(s)</b>	<b>Example Language</b>
<b>6. Support flexible zoning</b>	Morrow County, Heppner, Lone, Lexington, Irrigon	<i>The City shall provide flexibility in implementing residential zoning standards to support the development of a wide range of housing types while mitigating the impacts of development.</i>
<b>7. Address land supply goals</b>	Heppner, Lexington, Irrigon	<i>The City shall encourage efficient use of residential land within the Urban Growth Boundary The City shall provide a sufficient amount of residential land to accommodate residential growth. The City shall regularly monitor and periodically update an inventory of buildable residential land..</i>
<b>8. Support manufactured homes</b>	All	<i>The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations.</i>
<b>9. Maintain, repair existing housing</b>	All	<i>The City shall encourage maintenance and rehabilitation of the existing housing stock.</i>
<b>10. Balance housing needs with natural resources &amp; hazards</b>	All	<i>The City shall plan and regulate residential development to meet housing needs while preserving and protecting natural resources and reducing risks associated with natural hazards.</i>

## HOUSING STRATEGIES

An outline of strategies described in the Housing Strategies Report is provided below, organized into four topics. Given the focus of this memo, this section will only summarize “Strategy 1: Adopt Supportive and Inclusive Comprehensive Plan Policies” of the “Policy and Code Strategies” topic. Similar lists also are included in each city’s individual Housing chapter narrative and policy documents.

### Land Supply Strategies

- Strategy 1: Evaluate and Address Infrastructure Issues
- Strategy 2: Ensure Land Zoned for Higher Density Uses is not Developed at Lower Densities
- Strategy 3: Research UGB Expansion or Land Swap Opportunities
- Strategy 4: Increase Opportunities for Rural Residential Development in the County, Consistent with State Requirements and Local Goals

### Policy and Code Strategies

- Strategy 1: Adopt Supportive and Inclusive Comprehensive Plan Policies
- Strategy 2: Enhance Local Amenities and Services
- Strategy 3: Adopt Minimum Density Standards

- Strategy 4: Incentivize Affordable and Workforce Housing
- Strategy 5: Facilitate “Missing Middle” Housing Types in All Residential Zones
- Strategy 6: Support High Density Housing in Commercial Zones Promote Accessory Dwelling Units
- Strategy 7: Streamline and Right-Size Minimum Off-Street Parking Requirements
- Strategy 8: Encourage Cottage Cluster Housing
- Strategy 9: Support Accessory Dwelling Units

**Incentives for Development**

- Incentive 1: System Development Charges (SDC) and/or Fee Waivers
- Incentive 2: Tax Exemptions and Abatements

**Funding Sources and Uses**

- Funding Source 1: Construction Excise Tax
- Funding Source 2: Tax Increment Financing (Urban Renewal)
- Funding Source 3: Local Housing Development Funds
- Funding Source 4: Other Property Owner Assistance Programs
- Funding Use 1: Public/Private Partnerships
- Funding Use 2: Land Acquisition/ Use Public Lands
- Funding Use 3: Community Land Trust
- Funding Use 4: Regional Collaboration & Capacity Building



# MORROW COUNTY HOUSING STRATEGIES REPORT

JUNE 2019

Prepared for Morrow County and the cities of Boardman, Irrigon, Lone, Heppner and Lexington by Angelo Planning Group and Johnson Economics



JOHNSON  
ECONOMICS

**TABLE OF CONTENTS**

**1. INTRODUCTION AND OVERVIEW..... 3**

**2. HOUSING TRENDS: SUMMARY OF KEY FINDINGS ..... 5**

**3. LAND SUPPLY STRATEGIES..... 7**

**4. POLICY AND DEVELOPMENT CODE STRATEGIES..... 11**

**5. INCENTIVES FOR DEVELOPMENT ..... 25**

**6. FUNDING SOURCES AND USES ..... 27**

**7. SUMMARY OF HOUSING STRATEGIES ..... 33**

**APPENDIX A: HOUSING AND RESIDENTIAL LAND NEEDS ANALYSIS REPORT**

**APPENDIX B: BUILDABLE LAND INVENTORY MEMO**

**APPENDIX C: POLICY AND CODE REVIEW MEMO**

**APPENDIX D: POLICY AND CODE REVISIONS MEMO**

**APPENDIX E: HEPPNER COTTAGE CLUSTER CODE**

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## 1. Introduction and Overview

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The purpose of this report is to describe potential strategies for addressing the housing needs of Morrow County and the cities of Boardman, Heppner, Lone, Irrigon, and Lexington. This report builds on a preliminary list of strategies and some of these tools previously prepared and discussed with representatives of the communities in Morrow County.

An outline of strategies described in this report is provided below, organized into four topics, followed by descriptions of each of the strategies and recommendations for their implementation.

- **Land Supply Strategies**
  - Strategy 1: Evaluate and Address Infrastructure Issues
  - Strategy 2: Ensure Land Zoned for Higher Density Uses is not Developed at Lower Densities
  - Strategy 3: Research UGB Expansion or Land Swap Opportunities
  - Strategy 4: Increase Opportunities for Rural Residential Development in the County, Consistent with State Requirements and Local Goals
- **Policy and Code Strategies**
  - Strategy 1: Adopt Supportive and Inclusive Comprehensive Plan Policies
  - Strategy 2: Enhance Local Amenities and Services
  - Strategy 3: Adopt Minimum Density Standards
  - Strategy 4: Incentivize Affordable and Workforce Housing
  - Strategy 5: Facilitate “Missing Middle” Housing Types in All Residential Zones
  - Strategy 6: Support High Density Housing in Commercial Zones Promote Accessory Dwelling Units
  - Strategy 7: Streamline and Right-Size Minimum Off-Street Parking Requirements
  - Strategy 8: Encourage Cottage Cluster Housing
  - Strategy 9: Support Accessory Dwelling Units
- **Incentives for Development**
  - Incentive 1: System Development Charges (SDC) and/or Fee Waivers
  - Incentive 2: Tax Exemptions and Abatements
- **Funding Sources and Uses**
  - Funding Source 1: Construction Excise Tax
  - Funding Source 2: Tax Increment Financing (Urban Renewal)
  - Funding Source 3: Local Housing Development Funds
  - Funding Source 4: Other Property Owner Assistance Programs

- **Funding Use 1: Public/Private Partnerships**
- **Funding Use 2: Land Acquisition/ Use Public Lands**
- **Funding Use 3: Community Land Trust**
- **Funding Use 4: Regional Collaboration & Capacity Building**

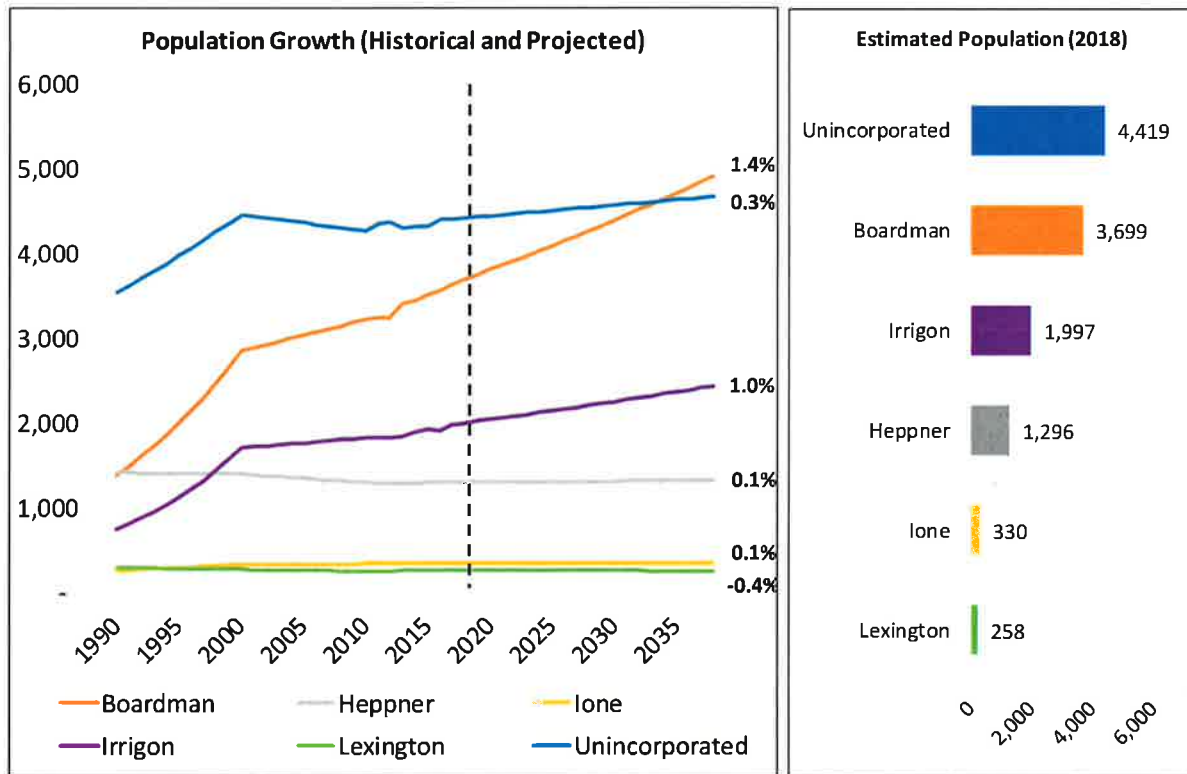


## 2. Housing Trends: Summary of Key Findings

This section provides a broad overview of the findings of the Housing Needs Analysis (Appendix A) report, which includes a discussion of demographic and housing trends and 20-year growth projections.

- Growth rates have differed across the Morrow County communities, with Boardman and Irrigon experiencing the most growth, and the small communities to the south experiencing more modest growth. Projected growth rates shown in Figure 1.1 are from the PSU Population Forecasting program.
- The growth rates used in this analysis predict the greatest growth in Boardman at 1.4% annually, and 1% annually in Irrigon which would be in keeping with average state growth since 2000. Other areas are projected to grow more slowly.

**FIGURE 1.1: POPULATION GROWTH, HISTORICAL AND PROJECTED**



SOURCE: PSU Population Research Center, JOHNSON ECONOMICS LLC

- Compared to the state average, Morrow County has a much larger share of households with children and a smaller share of the population over 65. The smaller rural communities tend to have fewer households with children while, the largest towns have more. Overall, the county population has fewer senior citizens than the statewide average, but the small rural communities have more.

- The ownership rate in Morrow County has fallen slightly from 73% since 2000. During this period the statewide rate fell to 61%. Nationally, the homeownership rate is 65%.
- Housing stock across the county is mostly single-family detached homes and mobile homes, with relatively few attached housing units, though recently more have been developed or proposed.
- Figure 1.2 shows the projected future housing need in 2039, and the number of new housing units needed to accommodate that 20-year need. Boardman and Irrigon are projected to need the most new housing, with smaller communities projected to need less. Unincorporated areas are anticipated to lose some housing as existing areas are annexed to urbanized areas over time.

**FIGURE 1.2: PROJECTED FUTURE HOUSING NEED (2039), MORROW COUNTY CITIES**

	<b>2018 Hsg. Inventory</b>	<b>2039 Hsg. Need</b>	<b>NEW Units Needed</b>	<b>20-Year Growth</b>
Boardman	1,247	1,788	542	43%
Heppner	607	629	29	5%
Ione	154	155	13	9%
Irrigon	792	945	153	19%
Lexington	101	92	17	16%
Unincorp.	1,717	1,585	-177	-10%
Morrow Co.	4,617	5,195	577	13%

Source: PSU Population Research Center, Johnson Economics

### 3. Land Supply Strategies

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#### **Strategy 1: Evaluate and Address Infrastructure Issues**

**Applicability:** All cities and county; more important in Heppner, Lone, and Lexington

**Complexity:** High

**Details and Recommendations:**

A significant amount of vacant land in several cities in Morrow County is in locations that are difficult or infeasible to serve with adequate sewer, water, or road infrastructure. These cities should identify resources to perform more detailed study of the infrastructure needs and challenges for these “difficult to serve” lands. These studies can help to quantify the public investment that may be needed to serve these lands. Alternatively, should these cities choose to amend their UGB to bring in more buildable land, these studies will be necessary for demonstrating, with a sufficient factual base, that the existing vacant land in the UGB is not able to be served with public facilities.

In other communities, this study also indicated that the cities of Lexington and Lone lack wastewater treatment, with individual properties relying on septic systems. In these cases, land in these areas is generally only suitable for single-family detached housing and cannot accommodate denser forms of development unless large open spaces are available on-site or on adjacent property to accommodate septic systems large enough to serve multiple housing units. Efforts to rezone properties or otherwise allow for denser forms of development will prove to be challenging in these areas. Given the supply of residentially zoned land in these communities and future population growth projections there, the amount potential future development may not make it cost-effective to develop a municipal wastewater system and development of such a system is likely to require significant subsidies from state or other agencies. However, other strategies such as package wastewater treatment systems or collection and off-site treatment of wastewater could potentially allow for cost-effective higher intensity development in Lexington and Lone and could be explored as a strategy for meeting a broader array of housing needs in these cities.

Specific recommendations related to this strategy include the following:

**Heppner**

City staff indicate that the City currently is working on addressing water and sewer service issues with owners of a 22-acre parcel that has capacity for future development. Addressing these issues, in combination with encouraging future infill development on parcels adjacent to existing water and sewer lines will largely address infrastructure needs in Heppner.

**Lexington**

City staff indicate that the city has had limited success in seeking funding and support for wastewater treatment facilities in the past. In lieu of developing a municipal wastewater treatment system, the City

could consider the following strategies to allow for development of denser forms of housing. It should be noted that these approaches ultimately could be cost-prohibitive at the scale likely for Lexington.

- Investigate the feasibility of using package wastewater treatment systems or the on-site collection and off-site treatment of wastewater. The Oregon Department of Environmental Quality and Multnomah County sanitarian would be a good resource for information about these techniques.
- Identify larger parcels that have adequate space for a common septic field that could treat wastewater from multiple units. Housing units could be clustered and potentially built more economically as attached housing on such sites, with a common drainfield located in open areas on the site. Cottage cluster development, as described under strategy 8, below, is one example of this type of development.

#### lone

lone staff note that they are pursuing state funding for a wastewater treatment facility. If that effort is successful, it will help address this issue. If not, then the strategies noted for Lexington also would be applicable here.

## **Strategy 2: Ensure Land Zoned for Higher Density is not Developed at Lower Densities**

**Applicability:** All cities and county

**Complexity:** High

#### **Details and Recommendations:**

Most of the cities in Morrow County allow for development of new single family detached homes in their medium and high-density zones. While having a mix of housing types in these zones is not in and of itself a bad thing, it is important to preserve an adequate supply of land designated for medium and high density for higher density housing forms – townhouses, triplexes, four-plexes and multi-family dwellings. This is particularly true in Irrigon and Boardman where population and projected population growth rates are higher and where denser development can be supported with municipal water and wastewater treatment systems.

This strategy is important from both a land efficiency perspective and to make sure that each city continues to have an adequate supply of land available for these types of housing. Specific actions to implement this strategy include:

- Establish minimum density standards as described in *Policy and Development Code Strategy #2 (next section)*.
- Update development codes to not allow (or prohibit) new single-family detached housing in high density zones.
- Allow single-family detached homes in medium density zones only if they meet minimum density or maximum lot size requirements.

- Allow continued use and repair of single-family homes in these zones and allow conversion of larger single-family homes into multi-unit dwellings (e.g., duplexes or triplexes).

This strategy should be coordinated with *Policy and Development Code Strategy #2*.

### **Strategy 3: Urban Growth Boundary (UGB) Expansion or Land Swap Opportunities**

**Applicability:** Boardman, Lone, Irrigon, and Lexington

**Complexity:** High

#### **Details and Recommendations:**

##### UGB Expansions

The findings of our study do not indicate the need for a UGB expansion to accommodate projected housing needs in any of the Morrow County cities. However, in the long term an expansion could be an option if growth rates remain high in places like Boardman. Prior to applying for a UGB expansion, cities will need to complete the following steps:

- Adopt efficiency measures to ensure that land inside the UGB is being used efficiently. Many of the code update recommendations identified for this project are efficiency measures.
- Demonstrate that there is an insufficient supply of buildable land inside the UGB. Due to relatively low projected growth rates in most of the communities in the County, these cities likely will need to demonstrate that existing vacant or partially vacant land in the UGB cannot be served with public facilities.

##### UGB Swaps

Several Morrow County communities, particularly Boardman and Irrigon have faced limitations on the supply of buildable land because owners of large parcels are uninterested or unwilling to develop or sell their properties for future development. In small communities with a limited number of large developable properties, this can create a significant barrier to development during at least the short and medium term. If owners hold onto their properties without a willingness to development over the longer term (e.g., decades), it effectively reduces the community's supply of buildable land. At the same time, because property ownership and/or owners' desires to develop can shift over time, the state of Oregon's land use planning framework does not allow cities to exclude such land from their BLIs.

One way to address this situation is to remove such parcels from the UGB and add other properties whose owners are more willing or likely to develop their land for housing. State statutes and administrative rules allow for these UGB "swaps." These exchanges are possible through a process of simultaneously removing and adding land to the UGB to make up for capacity lost by removing land. This process is guided by Oregon Revised Statutes (ORS) 197.764. This ORS section provides specific eligibility requirements and standards for land removed; subsection (3)(b) of this section states that "A local government that approves an application under this section shall either expand the urban growth

boundary to compensate for any resulting reduction in available buildable lands or increase the development capacity of the remaining supply of buildable lands.” In exchanging land inside the UGB for land outside the boundary, cities must identify an equivalent supply of land in terms of the land’s capacity for residential development, taking into account the presence of natural resource constraints and zoning or allowed density.

While permitted, UGB swaps require compliance with a number of requirements applied to other UGB amendments or expansions, including the following:

- **Location of expansion areas.** The location of the land to be added to replace the land being removed. First, use OAR 660-024-0065 to determine appropriate study areas. For a city with a UGB population less than 10,000, the city must consider all land within ½ mile of the existing UGB boundary.
- **Exclusion areas.** In considering expansion areas, the city can exclude areas that cannot be reasonably serviced with public facilities, are subject to significant natural hazards, have a high level of environmental or natural resource value, or are federal lands.
- **Prioritization.** The city needs to prioritize potential expansion areas in terms of rural residential “exception” lands vs. farm and forest lands, with exception lands having first priority.
- **Criteria for evaluating expansion areas.** Cities must look at alternative expansion areas and evaluate them using the four factors for location of UGB expansions found in Goal 14. These include 1) efficient urban form, 2) public facilities, 3) Economic, Social, Environmental, and Energy (ESEE) consequences, and 4) impact on adjacent farm and forest activities in rural areas. The city’s analysis must consider and analyze all four factors, but the city can weigh and balance those factors based upon a set of findings and policy judgments which, unless they are without merit, will be upheld on judicial review.

In addition to meeting these state requirements, the City will want to consider other factors in this process such as:

- Will potential expansion areas have direct access to roads, sewer or water lines or will they be even more difficult or costly to serve with these facilities than land proposed to be removed from the UGB?
- Will areas proposed for inclusion be in relatively close proximity to commercial and other services? This is particularly important if new areas are proposed for higher density development.
- Will the areas have any other practical barriers or impediments to residential development or conflict with other strategies to meet future housing needs?

## **Strategy 4: Increase Opportunities for Rural Residential Development in the County, Consistent with State Requirements and Local Goals**

**Applicability:** All cities and county

**Complexity:** High

### **Details and Recommendations:**

The County has indicated that there is an unmet demand for rural residential housing and development and a limited supply of land available, suitable and zoned for these uses in the unincorporated areas of the County. The County's zoning ordinance and map includes three zones for rural residential land – the Rural Residential Zone, Farm Residential Zone, and Suburban Residential Zone 2A. The minimum lot size in the Rural Residential, Farm Residential, and Suburban Residential 2A zones is two acres. The minimum lot size in the Suburban Residential Zone varies within urban growth boundaries, depending on whether the property is served by a municipal sewer and/or water system, with smaller lot sizes allowed when a property is served by one or both systems. The bulk of the vacant and partially vacant land is in the Rural Residential Zone (almost 1,500 acres), with about half this amount in the Suburban Residential Zone, and a much smaller amount (less than 100 acres) in the Suburban Residential 2A Zone. Creative approaches are needed to address this issue.

Rural residential lands located within an incorporated city's urban growth boundary (UGB) are anticipated to urbanize at some point in the future, with annexation into their associated incorporated city limits boundaries. Outside of UGBs, designating lands for rural residential will need to be consistent with Statewide Planning Goals 3, 4, or 14. In some cases, it may be possible to demonstrate that land is eligible for a goal exception based on existing physical development or surrounding land uses that make it impracticable to use the land for agriculture or forestry. Another option is to identify land that does not meet state definitions of "agricultural land" or "forest land" and redesignate for non-resource use. Designating non-resource land does not require a goal 3 or 4 exception but it is necessary to comply with the other Statewide Planning Goals (e.g. Goal 14 to ensure land remains rural, Goal 5 for natural resource protections).

While there may be a demand for this type of development, rural residential development on the edge of a UGB, particularly when development is on lots of one to two acres in size, can be a significant impediment to future redevelopment or infill development of those areas at planned urban densities when those areas are brought into a UGB. Therefore, in concert with any increase in the supply of land zoned for rural residential development or strategy aimed at increasing this type of development, it will be important to minimize future impacts on the potential for future urban infill development. This can be done through a number of strategies:

- **Require larger minimum lot sizes.** Rural residential development on lots of 5-10 acres are typically easier to subdivide and develop at urban densities once they are brought into a UGB, in comparison to one or two acre lots. Per OAR 660-004-0040(8)(i), newly designated rural

residential exception areas must either require a minimum lot size of 10 acres or qualify for an exception to Goal 14.

- **Require that houses be located on the edge of parcels, rather than in the middle.** This also will preserve a larger developable portion of a lot and make future infill and subdivision more feasible.
- **Require “shadow-platting.”** A shadow plat shows how a lot may be subdivided and served with roads, water and sewer facilities in the future. It indicates the proposed location of the initial dwelling and the location of these future facilities, as well as a conceptual plan for how the lot can be subdivided and developed at anticipated urban densities in the future. The “shadow plat” is reviewed to ensure that future development is feasible and recorded as part of the initial development process for use in future subdivision or development processes.



## 4. Policy and Development Code Strategies

### Strategy 1: Adopt Supportive and Inclusive Comprehensive Plan Policies

**Applicability:** All cities and county

**Complexity:** Low

**Details and Recommendations:**

The Housing Element of local Comprehensive Plans establish the policies that guide residential development in each community. These policies are important because they institute aspirational goals and principles for meeting the housing needs of the community. The policies are also important because they establish formal criteria and guidelines for land use decisions that pertain to housing. Per state land use law, individual development applications, single-parcel zone changes, and broader zoning amendments must all demonstrate consistency with the housing policies of the comprehensive plan.

The Policy and Code Review (Appendix C) evaluated the degree to which each comprehensive plan addressed 11 key policy issues. Morrow County jurisdictions generally all addressed Statewide Planning Goal 10, one of the policy issues. The degree to which each comprehensive plan addressed the remaining 10 policy issues varied, however, indicating an opportunity to amend the policies to better address important housing needs and goals that have been identified through this study. These policy issues are wide-ranging and inclusive: they may establish support for broad principles, such as Fair Housing or flexible zoning, or identify the need to provide for specific housing types, such as accessory dwelling units or manufactured homes.

These policy issues are identified in Table 1, and an example policy statement is provided to demonstrate one way to articulate the policy idea. Jurisdictions are encouraged to modify and tailor policy language, with input from community members and decision-makers, to best reflect local needs and conditions. Perhaps most importantly, updating the comprehensive plan to address these housing goals presents an opportunity for the community to consider and find how these issues fit within the broader comprehensive plan policy goals, such as transportation, livability, and economic vitality. For more detail on each policy issue, see Appendix C – Policy and Code Review Memorandum.

*Table 1. Recommended Comprehensive Plan Policy Updates*

<b>Policy Issue</b>	<b>Applicable Jurisdiction(s)</b>	<b>Example Language</b>
<b>1. Emphasize affordable housing</b>	Heppner, Lexington	<i>The City shall support the creation of housing that is affordable to low- and moderate-income households.</i>
<b>2. Support partnerships</b>	Heppner, Lexington	<i>The City shall seek partnerships with non-profit housing developers and other agencies to create the opportunity to provide moderate-and low-income housing and rehabilitation activities within the City.</i>

<b>Policy Issue</b>	<b>Applicable Jurisdiction(s)</b>	<b>Example Language</b>
<b>3. Affirm Fair Housing goals</b>	Morrow County, Boardman, Heppner, Lone, Lexington	<i>The City shall employ strategies that support the Fair Housing Act and affirmatively further fair housing.</i>
<b>4. Support mixed use development</b>	Heppner, Lone, Lexington, Irrigon	<i>The City shall allow for a mix of residential uses with other compatible uses in appropriate locations.</i>
<b>5. Reference and support ADUs</b>	All	<i>The City shall allow and support the development of Accessory Dwelling Units in all residential zones.</i>
<b>6. Support flexible zoning</b>	Morrow County, Heppner, Lone, Lexington, Irrigon	<i>The City shall provide flexibility in implementing residential zoning standards to support the development of a wide range of housing types while mitigating the impacts of development.</i>
<b>7. Address land supply goals</b>	Heppner, Lexington, Irrigon	<ul style="list-style-type: none"> <li>• <i>The City shall encourage efficient use of residential land within the Urban Growth Boundary</i></li> <li>• <i>The City shall provide a sufficient amount of residential land to accommodate residential growth.</i></li> <li>• <i>The City shall regularly monitor and periodically update an inventory of buildable residential land..</i></li> </ul>
<b>8. Support manufactured homes</b>	All	<i>The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations.</i>
<b>9. Maintain, repair existing housing</b>	All	<i>The City shall encourage maintenance and rehabilitation of the existing housing stock.</i>
<b>10. Balance housing needs with natural resources &amp; hazards</b>	All	<i>The City shall plan and regulate residential development to meet housing needs while preserving and protecting natural resources and reducing risks associated with natural hazards.</i>

## **Strategy 2: Enhance Local Amenities and Services**

**Applicability:** All cities and county

**Complexity:** High

### **Details and Recommendations:**

One of the key findings of the Housing Needs Analysis is that there is a lack of housing options for higher income households in all areas of the County. There are more households with annual incomes over

\$50,000 than there are housing units priced at levels that would be affordable to these households. This means that some of these households may be buying or renting units below the price that would be willing to pay if there were other options available. This may also mean that some higher income households may be choosing to live in other nearby areas if they can more easily find housing options that fit their needs and wants, even if they work in Morrow County. This situation has also been observed in commuting data and through information collected from employers by the Port of Morrow.

In order for developers to choose to invest in new housing projects to meet the needs of these higher income households, they will need to see evidence of strong demand for new housing in communities in Morrow County. Local employment opportunities are one key driver of demand, and the Port of Morrow and surrounding areas have seen robust employment growth in recent years. Another key driver of housing demand is proximity to amenities and services that help to create a livable and attractive place to live. Higher-income workers may be choosing to live in other areas outside the county, particularly the Tri-Cities area in Washington, because they perceive those cities to have a wider variety or higher quality of amenities and services, such as retailers, restaurants, parks and recreation facilities.

If the cities in Morrow County can help to enhance these local amenities and services, it will likely increase demand for housing in the County. In turn, this will stimulate development of housing for these higher-income households. New development targeted at this income segment will not only benefit these higher-income households, with more housing opportunities available for these households, it can open up housing units for moderate- or lower-income households as the higher income households “trade up”. This can lead to healthier housing market conditions for all households.

It is recommended that the cities and county continue to focus planning efforts on enhancing local amenities and services. This may include planning and public investment to support development of local commercial districts with a range of retailers and restaurants. In some communities, these efforts may focus on historic downtowns or “Main Streets”. It also may include improving and expanding local parks, trails, and recreation facilities. The cities and county should continue to work with the Port of Morrow and local employers to understand the amenities and services that are most important to higher income households in order to tailor and prioritize these efforts.

### **Strategy 3: Establish Minimum Density Standards**

**Applicability:** All cities and county

**Complexity:** Medium

**Details and Recommendations:**

As described in the Land Supply section, most Morrow County jurisdictions, and the County, have a sufficient supply of residentially zoned land to meet the projected 20-year housing needs. Land supply conditions vary among the cities, however; and some communities have a more limited supply of buildable residential land, are expecting higher growth rates, or face constraints related to floodplains and slopes. In these communities, it is important that the remaining buildable land be used efficiently by

developing at or near the maximum density of the zoning district. As summarized in the Policy and Code Review (Appendix C), all Morrow County jurisdictions have residential zones that regulate maximum density, either through a minimum lot size and/or a maximum density standard, but no jurisdictions regulate minimum density.

The most direct method to ensure land is used efficiently is to adopt minimum density standards for each residential zone. A minimum density standard would prohibit residential developments that do not meet the intent of the zone. For example, large lot, detached homes would be prohibited in a higher density residential zone, but the minimum density standard may allow for smaller lot detached houses, cottage cluster housing, or townhomes. The minimum density standard can be tailored to local conditions and needs but is most effective if it is set at between 50 and 80 percent of the maximum density standard in the zone. However, the minimum density standard should not require development at a density that cannot be supported by the municipal wastewater and water infrastructure.

#### **Strategy 4: Incentivize Affordable and Workforce Housing**

**Applicability:** All cities and county

**Complexity:** Medium

##### **Details and Recommendations:**

Some development regulations can present obstacles or add costs to housing developments. These obstacles are particularly challenging for developments built by housing authorities, non-profit developers, or even for-profit developers that are attempting to build units affordable to people with lower or moderate incomes. To address this challenge, cities can offer concessions on regulatory standards that can provide meaningful economic value to a development project in exchange for the development dedicating a minimum proportion of the units in the development to be affordable to people with lower or moderate income. The incentives may include expedited permitting or relief from certain development standards such as maximum height, parking, setbacks, minimum open space, or maximum density.

The incentives can be tailored to the specific housing needs of the community. As demonstrated by the Housing Needs Analysis, most cities in Morrow County have a need for more housing units that are affordable to households with moderate incomes, particularly in the range of \$35,000-\$75,000. Housing affordable to this income range is often termed “workforce housing”. There is a need for both ownership and rental housing at these income levels. Regulatory incentives could be provided to developments that propose either ownership or rental housing that will be affordable to this income level.

Each jurisdiction should consider some of the following best practices in designing an incentive program:

- **Ensure units remain affordable over time.** To ensure the units remain affordable at this income level over time, cities often require a restrictive covenant be recorded on the property or management of the property by a non-profit or housing authority.

- **Allow flexibility in the type of regulatory concession that is granted.** The relative value of a regulatory concession will depend on the location, size of lot, existing zoning, and many other factors. It is common to provide either a density or height bonus or a reduction in minimum parking requirements as an incentive, as these are usually valuable concessions. However, allowing the applicant to propose a different regulatory concession, such as reduction in minimum setbacks or lot coverage, can help widen the appeal of the program. The code may require that the developer demonstrate that the concession will result in identifiable cost reductions for the project.
- **Allow flexibility in how affordable units are provided.** In some cases, it may be advantageous to construct the affordable units on a different site than the primary development that is receiving the concession. It may also make sense for the development to purchase existing market-rate units and convert them to affordable units. Allowing flexibility in how the units are provided can also widen the appeal of the program.
- **Provide expedited permitting.** As a result of recently adopted state statute, many developments that include affordable housing units are required to be processed in under 100 days. To ensure compliance with this requirement, and to provide an additional incentive for development of affordable housing, jurisdictions may consider adopting provisions that provide an expedited permitting process for qualifying developments. Expedited permitting can help to reduce soft costs of development, such as holding land and hiring professional services, and reduce uncertainty for prospective developers.

### **Strategy 5: Facilitate Middle Housing Types in All Residential Zones**

**Applicability:** All cities, but may be challenging in Lone and Lexington

**Complexity:** Medium

#### **Details and Recommendations:**

Given the demographic trends identified in this study, and the ongoing challenge of providing enough housing options for people with moderate incomes, smaller sized, modest housing units will continue to be an important need in Morrow County. As demonstrated by the Housing Needs Analysis, there is a need for ownership housing options for households with incomes between \$35,000-\$75,000. Due to the costs of land, infrastructure, and construction, it can be difficult for builders to produce new single-family detached housing that is affordable to households at this income level. A range of smaller-sized housing options, detached or attached, can be more feasible to provide for this income level because they require less land per unit and can be more efficient to serve with infrastructure.

These housing types include townhomes, duplexes, triplexes, and garden or courtyard apartments. They have been termed “missing middle” housing types because they fall between high density apartment buildings and low density, detached housing. If regulated appropriately, these housing types can be compatible with detached, single-family houses and, therefore, could be permitted outright in these zones. “Middle housing” is a useful concept, but it includes a diverse array of housing types, some of

which may or may not be compatible with all residential zones. The following are three basic best practices for adopting supportive and appropriate standards for middle housing:

- **Tailor the allowance to the location and housing type.** As noted above, missing middle housing types vary in form. Similarly, residential zones and neighborhoods vary widely in existing character. To ensure compatibility, study the existing characteristics of residential areas and select housing types that are most likely to be compatible. For example, a neighborhood that is almost exclusively made up of detached houses may not be a good fit for townhomes, which are usually built in structures that contain 3-8 side-by-side units in a relatively large overall structure. However, duplexes and cottage cluster housing, which have smaller building footprints, may be more compatible.
- **Allow outright.** Some missing middle housing types, such as duplexes and triplexes, are permitted as conditional uses in residential zones in Morrow County jurisdictions. This can present a procedural barrier because developers may avoid the uncertainty and additional cost associated with the land use review process. A more supportive approach is to allow the housing type outright under clear and objective standards.
- **Limit building size to be compatible with detached houses.** The primary compatibility issue for missing middle housing types is the size of the structure compared to detached houses. All Morrow County jurisdictions require duplexes or triplexes to be built on larger lots than single-family, detached houses. If other standards are held constant—such as maximum lot coverage—then this will result in a structure that is larger than most detached houses in the area, because the builder is likely to maximize the floor area of the structure. Alternatively, these jurisdictions may consider allowing a duplex or triplex to be built on the same size lot as a single-family house but limit the overall size of the building through a maximum Floor Area Ratio (FAR) or maximum unit size standard. This encourages smaller individual dwelling units and building sizes that are compatible with single-family houses. This approach may also open up the opportunity for development of these housing types on more existing lots that would not otherwise meet the minimum lot size requirement.

This strategy is likely to be challenging to implement in Lone and Lexington which do not have municipal wastewater systems. Without those systems, densities are limited by the land needed to install a septic system. Without the cost savings from using less land for these development types, their financial feasibility and marketability will be more limited.

### **Strategy 6: Support High Density Housing in Commercial Zones**

**Applicability:** Boardman, Irrigon, and Heppner; other cities as infrastructure is available

**Complexity:** Medium

#### **Details and Recommendations:**

Most cities in Morrow County have a substantial amount of buildable land in commercial zones, and in some cases that land may be suitable for residential uses. Some of these lands may be more economical

to serve with infrastructure than other residential lands. In addition, bringing more residents in close proximity to commercial services benefits the businesses, by potentially expanding the local customer base, and the residents, by providing convenient and potentially walkable access to daily needs and amenities. As residential development in commercial zones will absorb some commercial land supply, it is important that the residential development be of a higher density. Low density residential development would consume commercial land while offering less value in terms of increasing local customer base and accessibility for residents.

Multi-family housing is allowed as a conditional or permitted use in many commercial zones across the county. However, some regulatory barriers to high density housing in commercial zones may be unnecessary. The following amendments may be appropriate.

- **Allow multi-family housing outright.** In some cities' commercial zones, multi-family housing is allowed with a conditional use permit. For example, multi-family dwellings are allowed as a conditional use in commercial zones in Heppner and Boardman but do not appear to be allowed at all in Irrigon's commercial zone. A conditional use permit can be an additional procedural obstacle to residential development and could discourage it in commercial zones. In lieu of a conditional use permit, which often applies relatively discretionary approval criteria, cities can adopt clear and objective criteria and standards for where and how multi-family housing is permitted. For example, housing may not be permitted on the ground floor of specific streets that are intended for storefront shopping.
- **Consider allowing single-family attached housing.** Townhomes can be developed at densities that would be beneficial to a commercial district and can function well as a transition between a commercial district and detached housing.
- **Allow vertical mixed-use development outright.** Vertical mixed-use development, with residential units above a commercial use, is a traditional and highly valuable form of development as it preserves ground floor commercial space while creating additional housing units. Vertical mixed use is costly and complicated to develop, so its prevalence will be limited, but cities should encourage this form of development in commercial zones.
- **Adopt a minimum density standard.** To ensure that residential development in commercial zones provides the benefits noted above, adopt a minimum density standard that would prohibit detached, lower density housing. This strategy is noted elsewhere in this report as well.

Prior to expanding allowances for residential development in commercial zones, cities should ensure that there is sufficient buildable commercial land to meet projected needs, based on an Economic Opportunities Analysis (EOA) and Statewide Planning Goal 9 Guidelines.

### **Strategy 7: Streamline and Right-Size Minimum Off-Street Parking Requirements**

**Applicability:** Boardman, Lone, and Lexington

**Complexity:** Medium

**Details and Recommendations:**

All jurisdictions in Morrow County require residential developments to provide a minimum number of off-street parking spaces. Given that vehicle travel rates are high and there is no or very limited transit system in the County, it is reasonable to require residential developments to include off-street parking.

Many developers would include off-street parking as a marketable amenity regardless of the code requirement. However, in some cases, the level of off-street parking required may exceed what the market would otherwise provide and may be unnecessary to effectively accommodating parking needs. This can become an obstacle to housing development because off-street parking lots consume land, reducing developable area on a site and net density, and can render a project economically infeasible. This condition is more likely on smaller infill lots. Structured or underground parking is only feasible if rental rates are high enough to offset high construction costs and likely is not financially feasible in Morrow County now or in the foreseeable future. If a development is at the margins of economic feasibility, parking requirements may preclude the development or cause fewer housing units to be built.

Most Morrow County jurisdictions require two off-street parking spaces for a single-family house and between one and two off-street spaces per unit in a duplex or multi-family development. Boardman, Lone, and Lexington require two spaces per unit for all developments. A requirement of two spaces per unit, regardless of the number of units in building, is likely to present an obstacle to some projects that may otherwise be feasible. The *Oregon Model Development Code for Small Cities* recommends a baseline standard of one space per unit. A general reduction to a standard of one or 1.5 spaces per unit is a positive step towards removing a potential obstacle to housing development.

In combination with or in lieu of a general reduction, cities should consider several other methods to reduce the chance that off-street parking requirements are a barrier to housing development, including:

- **Scale requirements by number of bedrooms.** The number of bedrooms in a dwelling unit is more closely correlated with the number of vehicles owned by the household than simply the number of dwelling units. Jurisdictions may allow the option of calculating minimum parking requirements based on the number of bedrooms in each unit. This can benefit multi-family developments with many one bedroom and studio units, which are more likely to have single-person households.
- **Provide a credit for on-street parking.** This provision allows development to reduce the minimum parking requirements based on the number of spaces that can be accommodated along the street frontage of the development. Lower density developments benefit most from this credit because there is more likely street frontage per unit. This credit recognizes that on-street parking will be used and allows for more efficient utilization of site area.
- **Allow for development of narrower streets.** As an alternative to reducing parking requirements, the City could allow for narrower local streets in residential areas, with limited on-street parking. Similar to reducing off-street parking requirements, this would reduce the



overall cost of development and resulting housing. It also would reduce the amount of impervious surface and associated stormwater run-off.

- **Targeted reductions or waivers.** Minimum parking requirements can be reduced for certain geographic areas, for certain uses (such as affordable housing), in exchange for certain amenities (such as open space), or when an applicant can demonstrate that parking demand will be lower than the minimum requirement.

Any reduction of minimum parking requirements should consider impacts on utilization of on-street parking. Where street widths do not allow for on-street parking or on-street parking is heavily utilized in some areas, no reduction or a smaller reduction may be more appropriate.

### Strategy 8: Encourage Cottage Cluster Housing

**Applicability:** Morrow County, Boardman and Irrigon; other cities as infrastructure is available

**Complexity:** Medium

#### Details and Recommendations:

As described in relation to Strategy 7 (“missing middle” housing), there is a current and projected need for modestly sized housing units to accommodate middle-income or “workforce” households. One way to provide these types of units is by encouraging cottage cluster housing: groups of small, detached homes, usually oriented around a common green or courtyard, located on individual lots, a single lot, or structured as condominiums.

Cottage clusters are growing more popular and the development potential for cottage cluster housing is significant. They provide many of the same features of conventional detached houses, but in a smaller footprint, with shared maintenance responsibilities, and arranged in a way that can facilitate a more community-oriented environment (see Figure 1). Cottage clusters can be developed on relatively small lots, as access and parking is shared and the units are relatively small, usually between 500 and 1,000 square feet. The visual character of cottage clusters, detached dwellings with substantial shared yard space, is compatible with neighborhoods of detached homes.

*Figure 1. Example of a Cottage Cluster Development*



The City of Heppner has adopted a special set of standards to apply to cottage cluster housing (see Appendix E). Most other Morrow County jurisdictions allow clustering of housing, including in planned unit developments or master planned areas; however, most do not allow for “cottage cluster” developments, with smaller dwellings and higher densities than base standards. The cost, complexity, uncertainty of a master planned development or planned unit development procedure may deter development. For example, Morrow County’s Planned Unit Development (PUD) standards have been identified as difficult to meet by some developers. A more supportive approach is to allow cottage cluster housing outright, subject to clear and objective standards, through a modified PUD application or a special cottage cluster application. The following practices can help ensure the code supports this housing type:

- **Density bonus.** Allow for increased densities over the base zone in exchange for a cap on the size of individual dwelling units. This combination allows for more dwelling units while ensuring an efficient use of land.
- **Low minimum unit size.** Given maximum house sizes of 1,000-1,200 square feet, allow a wide range of sizes—even as small as 400 square feet—and consider allowing both attached and detached housing.
- **Flexible ownership arrangements.** Do not require a single ownership structure; allow the site to be divided into individual lots, built as rental units on one lot, or developed as condominiums.
- **Supportive lot standards.** Ensure that minimum site size, setbacks and building coverage requirements do not prohibit cottage cluster development on smaller lots.
- **Balanced design standards.** Draft basic design requirements that ensure neighborhood compatibility, and efficient use of land, but are not so specific as to restrict the ability to adapt to varying neighborhood contexts.

Similar to promoting missing middle housing types, this strategy may be difficult to implement in Lone and Lexington, in the absence of municipal wastewater treatment systems. Construction of smaller cottage cluster housing would continue to be less expensive than larger detached units on separate lots. However, the amount of land needed for the development in total could be similar unless the area required for septic drainfields is less than with traditional single-family detached homes.

### **Strategy 9: Promote Accessory Dwelling Units**

**Applicability:** Morrow County, Boardman, Heppner, and Irrigon; other cities as infrastructure is available

**Complexity:** Low

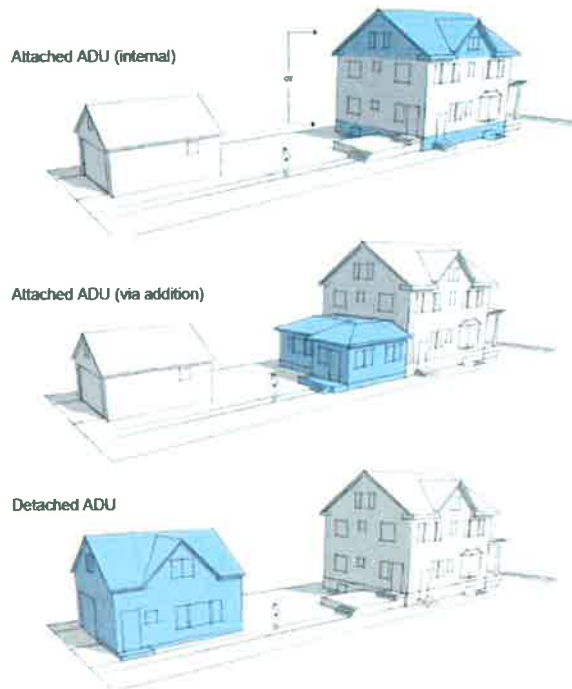
#### **Details and Recommendations:**

An Accessory Dwelling Unit (ADU) is a secondary dwelling unit on the same lot as a single-family house that is smaller than the primary dwelling. ADUs can come in three forms: a detached structure, an attached addition, or a conversion of internal living space in the primary dwelling (Figure 2). As ADUs are

often invisible from the street or may be perceived as a part of the primary dwelling, they offer a method of increasing density with minimal visual impact on the character of the neighborhood.

*Figure 2. Types of ADUs*

*ADUs in blue; main residence in white*



Source: City of St. Paul, MN

ADUs are a viable housing option with several benefits:

- Building and renting an ADU can raise income for a homeowner and help offset the homeowner's mortgage and housing costs.
- ADUs can add to the local supply of rental units and can provide a relatively affordable rental option for a person or household that prefers living in a detached unit rather than an apartment or other attached housing.
- ADUs offer flexibility for homeowners to either rent the unit or to host a family member. The proximity to the main house can be particularly beneficial for hosting an elderly family member that may need care and assistance.

The state legislature recently adopted a statute that requires cities with a population of over 2,500 and counties with a population over 15,000 to allow ADUs outright on any lot where single-family housing is allowed.<sup>1</sup> In Morrow County, this requirement only applies to Boardman. Still, other jurisdictions may want to encourage ADUs to realize some of the benefits described above. The City of Heppner is the

<sup>1</sup> See ORS 197.312(5)

only jurisdiction in Morrow County that explicitly allows ADUs. These code provisions could be a model for other Morrow County jurisdictions that decide to allow ADUs.

The Oregon Department of Land Conservation and Development has published a model code for ADUs. The model code is intended to provide basic regulations while ensuring that the standards do not present unnecessary barriers to development of ADUs. This model code recommends the following provisions:

- **Maximum Size.** Allow the ADU to be up to 900 square feet or 75% of the primary dwelling, whichever is less.
- **Off-Street Parking.** Do not require an off-street parking space for the ADU in addition to the spaces required for the primary dwelling.
- **Owner Occupancy.** Do not require that the owner of the primary dwelling reside either in the primary dwelling or the ADU, as this limits the marketability of a property with an ADU.
- **Design Standards.** Minimize special design standards that apply to the ADU. In particular, requirements for the ADU to be “compatible” with the primary dwelling may be difficult to implement and not always result in a desirable outcome.
- **Number of ADUs.** Consider allowing two ADUs on the same lot if one of the ADUs is internal or an attached addition.

As identified in the Policy and Code Revisions Memo (Appendix D), it is recommended that the cities of Boardman, Irrigon, Lone, and Lexington adopt regulations that allow ADUs and use the DLCD model code or the Heppner code provisions for guidance in developing supportive and appropriate standards. It is also recommended that Morrow County allow for ADUs in appropriate residential zones in the County as authorized by recent state legislation. In Lone, Lexington and the unincorporated portions of the County, standards for ADUs will need to reflect impacts on septic and water supply systems in the absence of municipal water and wastewater treatment and collection systems.

In each jurisdiction, these amendments should be considered as part of a public process with input from residents on how to minimize potential impacts of ADU development.

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## 5. Incentives for Development

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### **Incentive 1: System Development Charges (SDC) and/or Fee Waivers**

**Applicability:** Cities and County

**Complexity:** Medium

**Details and Recommendations:**

Waiver, exemption or deferment of SDC's or development fees directly reduces the soft costs of development to applicants for desired housing types. Development fees are not regulated by state law and cities have significant leeway to waive, reduce, or defer these fees. These fees may typically be applied by planning, building or engineering departments. SDC's face more statutory limitations and other hurdles to implementation. Generally, the reductions should be applied to housing types that demonstrate a similar reduction in demand for services or impacts (e.g. smaller units, multi-family vs. single family, ADU's, housing types that generate less traffic, etc.) However, state law does not directly address reductions that are not justified on these bases. The impacts of SDC or fee waivers will differ by jurisdiction depending on the size of the local charges. The magnitude of the fiscal impact will mirror how much of a benefit this incentive really provides to the developer.

Some jurisdictions offer full or partial SDC exemptions for affordable housing developments or subsidize them with funding from another source (e.g. urban renewal or general fund). A related type of program can allow developers of affordable housing to defer or finance payment of SDCs, which can reduce up-front costs and financing costs for the developer.

With deferral or financing of SDCs, the fiscal impacts to the City and its partners is minimal because charges are eventually paid. The period of repayment should not be a detriment to public agencies that operate on indefinite timelines. A financing program can be more beneficial to the property owner because SDC's are paid gradually, rather than in a lump sum soon after the completion of the project. However, a financing program also brings additional administrative requirements and costs to the City to track and collect payments over time.

### **Incentive 2: Tax Exemptions and Abatements**

**Applicability:** Cities

**Complexity:** Medium-High

**Details and Recommendations:**

Tax exemptions or abatements offer another financial incentive to developers that can improve the long-term economic performance of a property and improve its viability. This can be a substantial incentive, but the city or county will forego taxes on the property, generally for ten years. Other taxing jurisdictions are not included, unless they agree to participate. Tax exemption programs are authorized by the state for specific purposes:

- **Non-profit Low Income Housing (ORS 307.540 – 307.548):** Exemptions for non-profit suppliers of affordable housing
- **Low-Income Rental Housing (307.515 – 307.523):** Broader exemption for projects that include affordable housing that can apply to private developers.
- **Homeownership, Rehabilitation in Cities (307.651 – 307.687):** An exemption to encourage new development and home renovation for owner (not rental) units of 120% median home price or less.
- **Tax Freeze for Property Rehabilitation (ORS 308.450 – 308.481):** A program that allows the owner of single-family or multi-family properties to complete renovations on a property, while freezing the assessed value at the prior level.
- **Vertical Housing (ORS 307.841 – 307.867):** An incentive for housing developments of two or more stories. This partial exemption grows larger with each additional floor of housing provided.
- **Multiple-Unit Housing (in transit areas) (ORS 307.600 – 307.637):** Intended for town centers and transit areas. May have limited use in rural counties, but may apply where there is regular transit service.

Tax abatements or exemptions alleviate property taxes on certain types of development, often for a set period of time. Exemptions can be a very strong tool to incentivize affordable housing and make proposed projects more viable, depending on how the exemptions are structured.

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## 6. Funding Sources and Uses

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### **Funding Source 1: Construction Excise Tax**

**Applicability:** Cities and County

**Complexity:** Medium

**Details and Recommendations:**

The construction excise tax (CET) is a tax on construction activity of new structures or additional square footage to an existing structure to pay for housing affordable at 80% of AMI or less. Cities or counties may levy a CET on residential construction of up to 1% of the permit value, or on commercial and industrial construction with no limit on the rate.

The allowable uses for CET revenue are set forth in state statute, but they include a set-aside for administration costs, and used by the jurisdiction to recover costs of developer incentives such as fee waivers or tax abatements.

If this strategy is implemented in Morrow County and its communities, it is recommended to be done at a county-wide level to reduce the unintended consequence of making development costs higher in some Morrow County communities than others. Typically, the CET is collected as part of the building permitting process, so this also would make sense from an administrative perspective. If applied in all cities and collected by the county, each city would need to establish some type of intergovernmental agreement guiding collection and distribution of CET revenues. The cities and County also could work together on a strategy for use of the funds that is consistent with statutory requirements, help meet the needs of individual cities, and incorporates a coordinated approach to housing assistance programs, similar to the approach currently implemented through the County's Enterprise Zone program (described below).

### **Funding Source 2: Tax Increment Financing (Urban Renewal)**

**Applicability:** Selected cities (e.g., Boardman and possibly Irrigon) and county

**Complexity:** High

**Details and Recommendations:**

Tax increment financing (TIF) is the mechanism through which urban renewal areas (URA) grow revenue. At the time of adoption, the tax revenues flowing to each taxing jurisdiction from the URA is frozen at its current level. Any growth in tax revenues in future years, due to annual tax increase plus new development, is the "tax increment" that goes to the URA itself to fund projects in the area. Small cities (50k people or less) are allowed to have up to 25% of their land area and assessed value in URAs.

For the most part, these funds must to go to physical improvements in the area itself. These projects can include participating in public/private partnerships with developers to build housing, or can be used to complete off-site public improvements that benefit and encourage new development in the area, or

to acquire key sites. The funds can also be used for staff to administer these programs, and to refund waived SDCs.

Urban Renewal requires the jurisdiction to undertake an adopted feasibility study and plan. These documents lay out the boundaries of the URA, the required findings of “blight” (broadly defined) in the area, the projected fiscal performance of the URA, the planned projects that will be undertaken. The URA is overseen by an Urban Renewal Agency which typically is affiliated closely with the jurisdiction itself and may have the same membership as the council or commission.

Urban Renewal is a good tool to use in areas where new development or redevelopment is anticipated. The growth of TIF revenue depends on this growth actually occurring; if a URA remains stagnant, then tax revenues will not grow to fund the planned projects. Therefore, it is advisable that the Urban Renewal agency waits for some sign of growth in the URA, before undertaking the expense of public projects dependent on TIF. That said, once some growth has occurred or seems likely to occur in response to the public expenditure, the Urban Renewal Agency

Many different project types are allowable under the Urban Renewal program though they generally require some physical improvement to occur. These may include financing public infrastructure (new roads, water, sewer, etc.) to an area to allow private development to occur there. These also may include various partnership or incentive programs with other agencies or private developers.

The City of John Day has recently created an innovative URA to help provide incentives for both new housing and renovated housing. The incentives are designed to rebate some of the newly created assessed value directly to the property owner, to make the project more attractive. The URA was created such a way to include much of the City’s vacant developable land for housing, to encourage build-out and ensure that the value of new development is captured by the TIF.

### **Funding Source 3: Local Housing Development Funds**

**Applicability:** Cities and local and regional partners

**Complexity:** Medium

#### **Details and Recommendations:**

Through the Columbia River Enterprise Zone, funds are collected from local businesses that participate in the tax abatement program. Those funds are then used to fund programs to address a variety of local community needs, including housing. Community development associations within the County use the money at their discretion to implement different housing programs, including a homebuyer down-payment assistance program in Boardman and a duplex project in Heppner.

This is an excellent example of an innovative local funding initiative, coupled with a public private partnership between local government, local employers and others. Continuation of this program and potential expansion of the use of funds for local housing initiatives will continue to be an important component of housing strategies in Morrow County.



The Columbia River Enterprise Zone recently awarded \$3.24 million in grants to a wide range of County partners, to allow them to share in the growth taking place in the zone. Recipients included the Boardman Community Development Association which administers the Homebuyers Incentive Program, the City of Irrigon, and multiple educational and economic development groups. The shared funds are aimed at improving education, community enhancement, emergency services and infrastructure, and housing in Morrow County.

This is an important source of on-going funding for the housing initiatives discussed in this report. In addition to direct assistance to homebuyers and renters, these funds could potentially be used for direct incentives to builders, or to reimburse the city or county for indirect incentives, such as waived SDC's or other fees. In addition, these funds can potentially be used for public infrastructure which can also facilitate development by connecting under-served land.

#### **Funding Source 4: Other Property Owner Assistance Programs**

**Applicability:** Cities and local and regional partners

**Complexity:** Varied

##### **Details and Recommendations:**

There is a wide range of programs intended to provide incentives to property owners and builders to build and maintain housing stock (in addition to the state-authorized tax incentives discussed above.) These programs are typically aimed at property owners or renters, but public agencies can be well versed in these resources and ensure that public incentives can dovetail with these programs to have maximum impact. These programs include:

##### **GEODC**

- Northeast Regional Housing Rehabilitation Loan Program: This program provides 0% interest, deferred payment loans to qualified homeowners to rehabilitate and maintain housing so households can stay in place and lower-cost housing stock can remain in service. This program is funded through Community Development Block Grant funding among other sources.

##### **USDA Housing Programs**

The USDA provides a wide range of rural housing and community development grants and loans that may be applicable in some or all of Morrow County. Many of these programs are aimed directly at providing financing in areas and for projects that have difficulty gaining financing from other sources.

- Farm Labor Direct Loans and Grants
- Housing Preservation & Revitalization Demonstration Loans and Grants
- Housing Preservation Grants
- Multi-Family Housing Direct Loans

- Multi-Family Housing Loan Guarantees
- Multi-Family Housing Rental Assistance
- Single Family Housing Direct Loans
- Single Family Housing Loan Guarantees
- Mutual Self-Help Housing Technical Assistance Grants (to orgs to implement Habitat-for-Humanity model)
- Rural Housing Site Loans (to purchase sites for low- and moderate-income housing)

Regional or local housing coordinators should maintain familiarity with these programs and consider the ways that other programs can leverage these resources to amplify the total incentives.

### **Funding Uses 1: Public/Private Partnerships**

**Applicability:** Cities and county

**Complexity:** Medium

#### **Details and Recommendations:**

Most of the strategies discussed below fall under the umbrella of public/private partnerships which include a broad range of projects where the public contributes to private or non-profit development. The public involvement usually entails providing some financial incentive or benefit to the development partner in return for the partner's agreement that the development will provide some public benefit for a specified length of time. These partnerships can be used to encourage a wide range of public goals, including certain development forms, affordability levels, public space (plazas, parks), environmental features, mixed uses, etc.

A key barrier to meeting housing needs in Morrow County has been the lack of development capacity to build the types of housing needed to serve local workers. In addition, owners of large developable properties have not been ready to sell or develop their land for housing. These factors have limited the pace and volume of housing development in the County. Partnerships with local or regional developers, builders and property owners will be a key to encouraging and realizing housing development goals in the area.

The benefit of public/private partnerships is that the city or county does not have to build internal expertise in development, property management, or complicated affordable housing programs. Partner agencies or companies with experience in these types of projects benefit from public contributions, making the projects more feasible.

Public contributions to partnerships with other agencies or companies tend to take the form of a financial contribution (grant or loan), fee or SDC waivers, building adjacent off-site improvements, or tax exemptions or abatements. Many of these tools are detailed in this report. Potential partners in the

area include Umatilla County Housing Authority, Habitat for Humanity, CAPECO, the Port, active builders in the region, and key landowners.

### **Funding Uses 2: Land Acquisition/ Use Public Lands**

**Applicability:** Cities and county

**Complexity:** Medium

**Details and Recommendations:**

Control of a key site gives a public agency ultimate say in what happens in that location. Typically, a development partner is eventually identified to develop the site, and the value of the property provides a significant incentive that the city can contribute to the project. Through reduced property transfer, the city can ensure that the development meets public goals such as affordable housing, multi-family housing, mixed uses, etc. The discounted land may also allow development forms that would not typically be economically feasible to become viable. Acquisition of new land may be expensive, but reuse of surplus public land may be possible with little new cost to the public agency.

### **Funding Uses 3: Community Land Trust**

**Applicability:** Cities and county

**Complexity:** Medium

**Details and Recommendations:**

A community land trust (CLT) is a model wherein a community organization owns the land underlying a housing development and provides long-term ground leases to households to purchase homes on that property. The structure allows the land value to largely be removed from the price of the housing, making it more affordable. The non-profit agency can also set prices at below-market levels, and can set terms with buyers on the eventual resale of the units, sharing price appreciation, and other terms that allow the property to remain affordable for future owners as well.

Given the distinctive legal structure of CLT's it is likely best for public agencies and its cities to consider partnering with a non-profit community organization to administer this program. The cities can help identify key opportunities for this model and help to capitalize the efforts of its partner. Other CLT's working in different parts of Oregon include Proud Ground and Habitat for Humanity. The latter organization is not a CLT per se but uses a similar approach to maintaining the affordability of the homes it builds largely through volunteer labor. Initial inquiries to these organizations regarding their interest in operating in Morrow County and the type of support they typically seek from local governments would be an important first step in implementing this strategy.

### **Funding Uses 4: Regional Collaboration & Capacity Building**

**Applicability:** Cities and county

**Complexity:** Medium

**Details and Recommendations:**

One potential use of funding would be for administration of a more formal central agency or Regional Housing Coordinator position, to serve as central point-of-contact for community partners and the public. As the county and cities consider a more holistic regional approach to housing challenges, this organizational structure would allow for more strategic planning among the cities.

In addition to capacity building within local government, there is a strong need to enhance the capacity of local builders, developers and supporting partners to develop the types of housing needed to serve the local workforce. Furthering this goal should be a primary component of a regional collaborative strategy.

Builders face some serious challenges in smaller markets that are distant from larger population centers. Often the average local income and spending power for housing is lower, meaning a lower profit margin for the builder, while costs are not lower and may be higher due to the need to transport labor and materials to the site. In addition, the number of housing units will be smaller and may take longer for the market to absorb, then building a larger volume of housing in Hermiston or the Tri-Cities. Because of these considerations, building in smaller markets may be profitable to the developer, but not as profitable as alternative projects.

In discussing these obstacles with developers, many advise that public agencies should focus on working with partners on affordable and workforce housing as the best target for their resources. The most programs, funding and statutory tools exist to address this need. At the same time, affordable housing developments have mission-driven measures of success that can be met in smaller markets, without regard for profit margin. Increasingly these housing programs can be targeted at those making 60% to 80% of median income, which will include many working households.

While public agencies and their partners focus on this working class income segment, new private development is likely to focus on the higher end of the market. The provision of all of this new housing supply helps free up older existing units for first-time homebuyers and middle-income renters.

## 7. Summary of Housing Strategies

Table 2 provides a summary of all of the recommended housing strategies described above. The table identifies the level of complexity of implementation (“High”, “Medium”, or “Low”) and the applicable jurisdictions.

*Table 2. Summary of Housing Strategies*

<b>Strategy</b>	<b>Applicable Jurisdiction(s)</b>	<b>Level of Complexity</b>
<b>LAND SUPPLY STRATEGIES</b>		
<b>1. Evaluate and Address Infrastructure Issues</b>	All cities and county; more important in Heppner, Ione, and Lexington	High
<b>2. Ensure Land Zoned for Higher Density Uses is not Developed at Lower Densities</b>	All cities and county	High
<b>3. Research UGB Expansion or Land Swap Opportunities</b>	Boardman, Ione, Irrigon, and Lexington	High
<b>4. Increase the Supply of Rural Residential Land in the County</b>	All cities and county	High
<b>POLICY AND CODE STRATEGIES</b>		
<b>1. Adopt Supportive and Inclusive Comprehensive Plan Policies</b>	All cities and county	Low
<b>2. Enhance Local Amenities and Services</b>	All cities and county	High
<b>3. Adopt Minimum Density Standards</b>	All cities and county	Medium
<b>4. Incentivize Affordable and Workforce Housing</b>	All cities and county	Medium
<b>5. Facilitate “Missing Middle” Housing Types in All Residential Zones</b>	All cities, but may be challenging in Ione and Lexington	Medium
<b>6. Support High Density Housing in Commercial Zones Promote Accessory Dwelling Units</b>	Boardman, Irrigon, and Heppner; other cities as infrastructure is available	Medium

<b>Strategy</b>	<b>Applicable Jurisdiction(s)</b>	<b>Level of Complexity</b>
<b>7. Streamline and Right-Size Minimum Off-Street Parking Requirements</b>	Boardman, Lone, and Lexington	Medium
<b>8. Encourage Cottage Cluster Housing</b>	Morrow County, Boardman and Irrigon; other cities as infrastructure is available	Medium
<b>9. Support Accessory Dwelling Units</b>	Morrow County, Boardman, Heppner, and Irrigon; other cities as infrastructure is available	Low
<b>INCENTIVES FOR DEVELOPMENT</b>		
<b>1. System Development Charges (SDC) and/or Fee Waivers</b>	All cities and county	Medium
<b>2. Tax Exemptions and Abatements</b>	Cities	Medium-High
<b>FUNDING SOURCES</b>		
<b>1. Construction Excise Tax</b>	All cities and county	Medium
<b>2. Tax Increment Financing (Urban Renewal)</b>	Selected cities (e.g., Boardman and possibly Irrigon) and county	High
<b>3. Local Housing Development Funds</b>	Cities and local and regional partners	Medium
<b>4. Other Property Owner Assistance Programs</b>	Cities and local and regional partners	Varies
<b>FUNDING USES</b>		
<b>1. Public/Private Partnerships</b>	All cities and county	Medium
<b>2. Land Acquisition/ Use Public Lands</b>	All cities and county	Medium
<b>3. Community Land Trust</b>	All cities and county	Medium
<b>4. Regional Collaboration &amp; Capacity Building</b>	All cities and county	Medium

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## **Appendix A: Housing and Residential Land Needs Analysis Report**



Source: Morrow County

**MORROW COUNTY, OR  
& LOCAL CITIES**

**HOUSING AND RESIDENTIAL LAND NEEDS ASSESSMENT  
(OREGON STATEWIDE PLANNING GOAL 10)**

**20-YEAR HOUSING NEED  
2019 - 2039**

Prepared For:  
MORROW COUNTY, OREGON  
May 2019



# TABLE OF CONTENTS

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<b>TABLE OF CONTENTS</b>	<b>1</b>
Introduction	2
I. MORROW COUNTY DEMOGRAPHIC PROFILE	2
A. POPULATION GROWTH	3
B. HOUSEHOLD GROWTH & SIZE	4
C. FAMILY HOUSEHOLDS	5
D. AGE TRENDS	5
E. HOUSEHOLD INCOME & EMPLOYMENT	6
F. POVERTY STATISTICS	10
II. CURRENT HOUSING CONDITIONS	12
A. HOUSING TENURE	12
B. HOUSING STOCK	12
C. NUMBER OF BEDROOMS	13
D. UNITS TYPES BY TENURE	14
E. AGE OF HOUSING STOCK	14
F. HOUSING COSTS VS. LOCAL INCOMES	15
G. PUBLICLY-ASSISTED HOUSING	16
III. CURRENT HOUSING NEEDS (MORROW COUNTY)	17
IV. FUTURE HOUSING NEEDS - 2038 (MORROW COUNTY)	22
V. FUTURE HOUSING NEEDS - 2039 (CITIES)	25
A. Boardman Housing Profile	27
B. Heppner Housing Profile	30
C. Ione Housing Profile	33
D. Irrigon Housing Profile	36
E. Lexington Housing Profile	39

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## INTRODUCTION

This analysis outlines a forecast of housing need within Morrow County and its local cities. Housing need and resulting land need are forecast to 2039 consistent with 20-year need assessment requirements of periodic review. This report presents a housing need analysis (presented in number and types of housing units) and a residential land need analysis, based on those projections.

The primary data sources used in generating this forecast were:

- Portland State University Population Research Center
- U.S. Census
- Environics Analytics Inc.<sup>1</sup>
- Oregon Employment Department
- Morrow County GIS
- Other sources are identified as appropriate.

This analysis reflects the coordinated population forecast from the Oregon Population Forecast Program, at the Population Research Center (PRC) at PSU. State legislation passed in 2013 made the PRC responsible for generating the official population forecasts to be used in Goal 10 housing analyses in Oregon communities outside of the Portland Metro area (ORS 195.033). The population forecasts used in this analysis were generated in 2016.

***This project is funded by County and local funds from Morrow County cities, with some contribution from the Department of Land Conservation and Development.***

## I. MORROW COUNTY DEMOGRAPHIC PROFILE

### SUMMARY

The following table (Figure 1.1) presents a profile of Morrow County demographics from the 2000 and 2010 Census. This includes the city limits of Morrow County, as well as areas currently included within the Urban Growth Boundary (UGB). It also presents the estimated population of this area as of 2018 from PSU estimates.

- Morrow County is a county of an estimated 11,927 people, located in northeastern Oregon, on the Columbia River.
- Morrow County is ranked 29<sup>th</sup> out of 36 Oregon counties in population, after Baker County and before Lake County.
- Morrow County has experienced steady growth, growing over 8% in population since 2000. Within the county, Boardman and Irrigon grew the fastest, with smaller the communities remaining stead or losing some population during this period. (US Census and PSU Population Research Center)

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<sup>1</sup> Environics Analytics Inc. is a third-party company providing data on demographics and market segmentation. It licenses data from the Nielson Company which conducts direct market research including surveying of households across the nation. Nielson combines proprietary data with data from the U.S. Census, Postal Service, and other federal sources, as well as local-level sources such as Equifax, Vallassis and the National Association of Realtors. Projections of future growth by demographic segments are based on the continuation of long-term and emergent demographic trends identified through the above sources.

- Morrow County was home to an estimated 4,221 households in 2018, an increase of roughly 430 households since 2000. The percentage of family households has fallen somewhat between 2000 and 2018 from 77% to 75%. The county has a larger share of family households than the state average (63%).
- Morrow County’s estimated average household size is 2.82 persons, down slightly since 2000. This is higher than the statewide average of 2.47.

**FIGURE 1.1: MORROW COUNTY DEMOGRAPHIC PROFILE**

<b>POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(PSU)</b>	<b>10-18</b>
Population <sup>1</sup>	11,034	11,213	2%	11,927	6%
Households <sup>2</sup>	3,791	3,926	4%	4,221	8%
Families <sup>3</sup>	2,932	2,961	1%	3,178	7%
Housing Units <sup>4</sup>	4,293	4,454	4%	4,617	4%
Group Quarters Population <sup>5</sup>	40	23	-43%	24	6%
<i>Household Size (non-group)</i>	<i>2.90</i>	<i>2.85</i>	<i>-2%</i>	<i>2.82</i>	<i>-1%</i>
<i>Avg. Family Size</i>	<i>3.28</i>	<i>3.25</i>	<i>-1%</i>	<i>3.24</i>	<i>0%</i>
<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(Proj.)</b>	<b>10-18</b>
Per Capita (\$)	\$15,802	\$21,005	33%	\$23,581	12%
Median HH (\$)	\$37,521	\$48,457	29%	\$54,400	12%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

Census Tables: DP-1 (2000, 2010); DP-3 (2000); S1901 (2010 ACS 3-yr Estimates); S19301 (2010 ACS 3-yr Estimates);

<sup>1</sup> From PSU Population Research Center, Population Forecast Program, final forecast for Wasco Co. (6/2016)

<sup>2</sup> 2018 Households = (2018 population - Group Quarters Population)/2018 HH Size

<sup>3</sup> Ratio of 2018 Families to total HH is based on 2017 ACS 5-year Estimates

<sup>4</sup> 2015 housing units are the 2010 Census total plus new units permitted from '10 through January '18 (source: Census, City of Boardman)

<sup>5</sup> Ratio of 2018 Group Quarters Population to Total Population is kept constant from 2010.

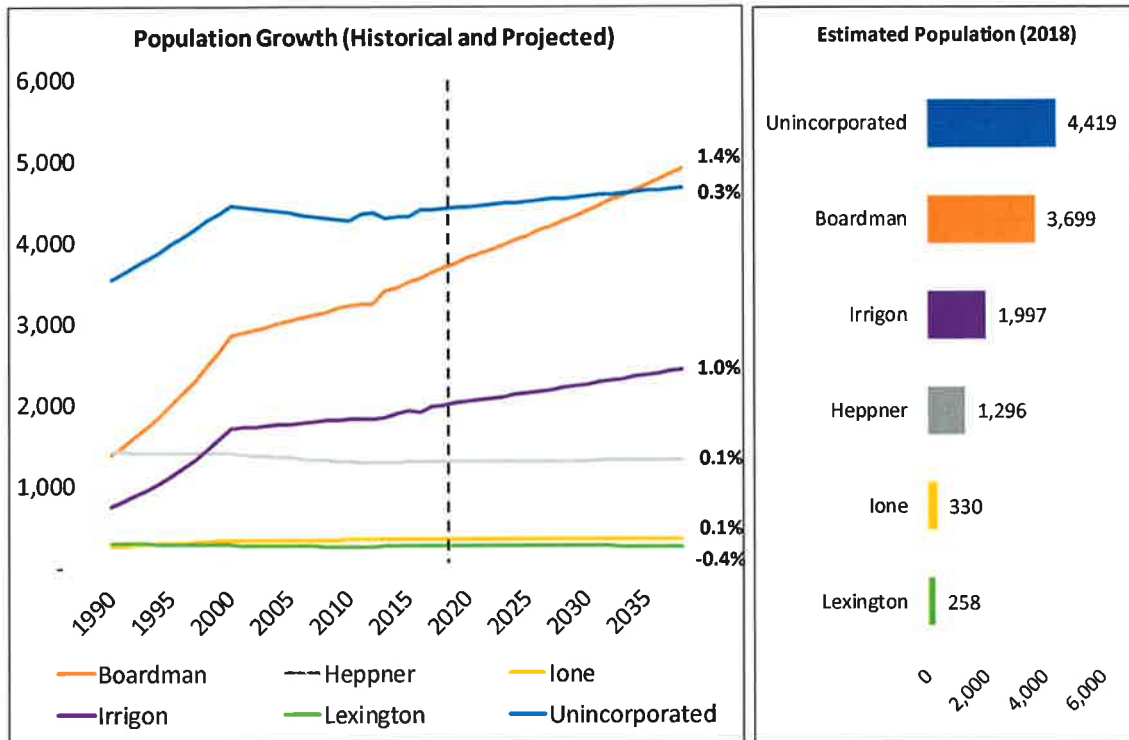
## **A. POPULATION GROWTH**

Since 2000, Morrow County has grown by nearly 900 people, or 8% in 18 years. In contrast the state grew 21% in this time, with most of this growth being the Willamette Valley and Central Oregon regions.

Growth rates have differed across the communities, with Boardman and Irrigon experiencing the most growth, and the small communities to the south experiencing more modest growth. Projected growth rates shown in Figure 1.2 are from the PSU Population Forecasting program, but may be revised during this project.

The growth rates used in this analysis predict the greatest growth in Boardman at 1.4% annually, and 1% annually in Irrigon which would be in keeping with average state growth since 2000. Other areas are projected to grow more slowly.

**FIGURE 1.2: POPULATION GROWTH, HISTORICAL AND PROJECTED**

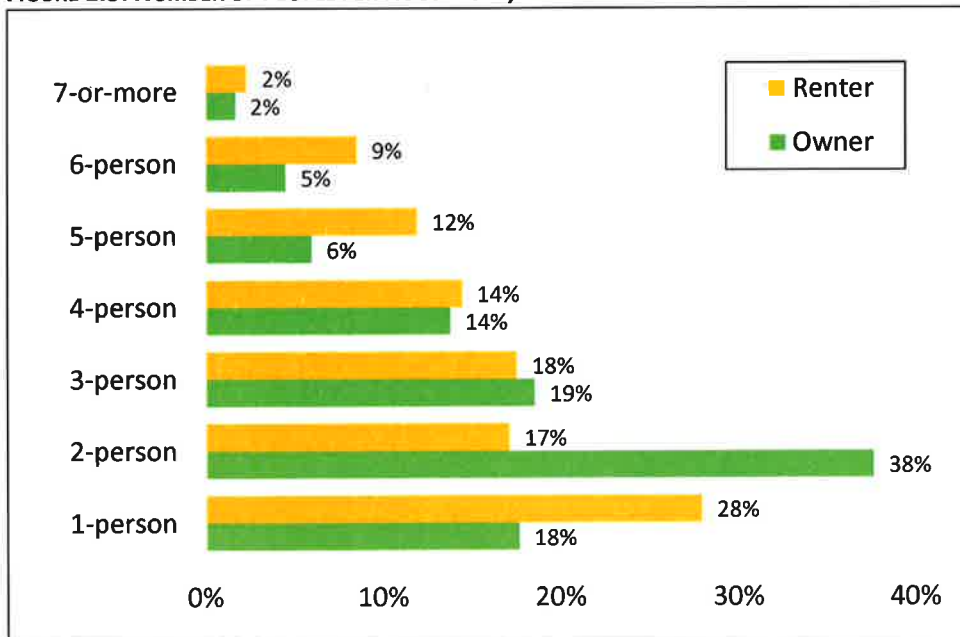


SOURCE: PSU Population Research Center, JOHNSON ECONOMICS LLC

**B. HOUSEHOLD GROWTH & SIZE**

As of 2018, the county has an estimated 4,221 households. Since 2000, Morrow County has added an estimated 430 households, or 21% growth. A household is defined as all the persons who occupy a single housing unit, whether or not they are related.

**FIGURE 1.3: NUMBER OF PEOPLE PER HOUSEHOLD, MORROW COUNTY**



SOURCE: US Census, JOHNSON ECONOMICS LLC  
Census Tables: B25009 (2017 ACS 5-yr Estimates)

There has been a general trend in Oregon and nationwide towards declining household size as birth rates have fallen, more people have chosen to live alone, and the Baby Boomers have become empty nesters. While this trend of diminishing household size is expected to continue nationwide, there are limits to how far the average can fall. Morrow County has experienced this trends somewhat, but not as starkly as some other areas.

Morrow County’s average household size is 2.82 people, while the average size of family households is 3.24 people.

Figure 1.3 shows the share of households by the number of people for renter and owner households in 2017 (latest available), according to the Census. Renter households are more likely to have one person, or four or more persons. Owner households are more likely to have two people. This is the reverse of the trend seen in many communities, where renter households tend to be smaller. The Census indicates that owner households are more likely to be families than renter households, indicating that many renter households may tend to have multiple non-related residents, or they may tend to be larger families than owner families.

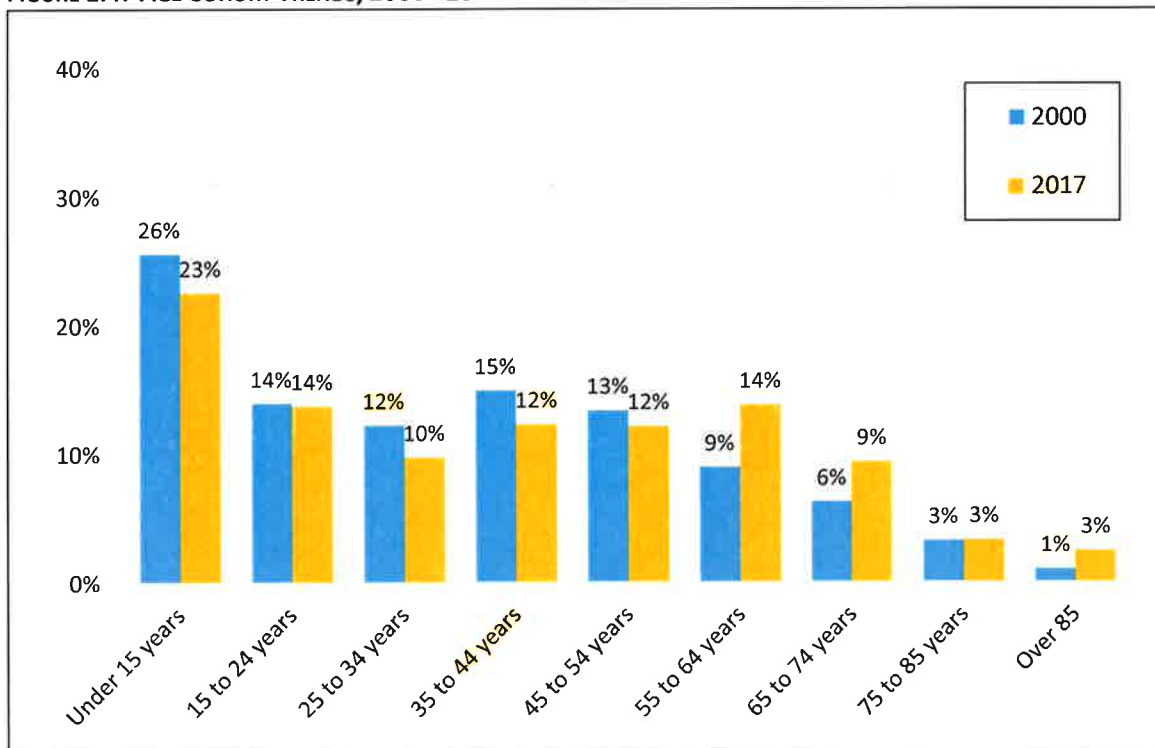
**C. FAMILY HOUSEHOLDS**

As of the 2017 American Community Survey (ACS), 75% of Morrow County households were family households, falling slightly from 2000 (77%). The total number of family households in Morrow County is estimated to have grown by 247 since 2000. This is 57% of all new households in this period. The Census defines family households as two or more persons, related by marriage, birth or adoption and living together.

**D. AGE TRENDS**

The following figure shows the share of the population falling in different age cohorts between the 2000 Census and the most recent 5-year estimates. As the chart shows, there is a general trend of growth among older age cohorts, specifically those aged 55 and older. Those in the middle and younger age cohorts fell as a share of total population. Going forward, the older age groups are projected to continue increasing in share, in keeping with the national trend caused by the aging of the Baby Boom generation.

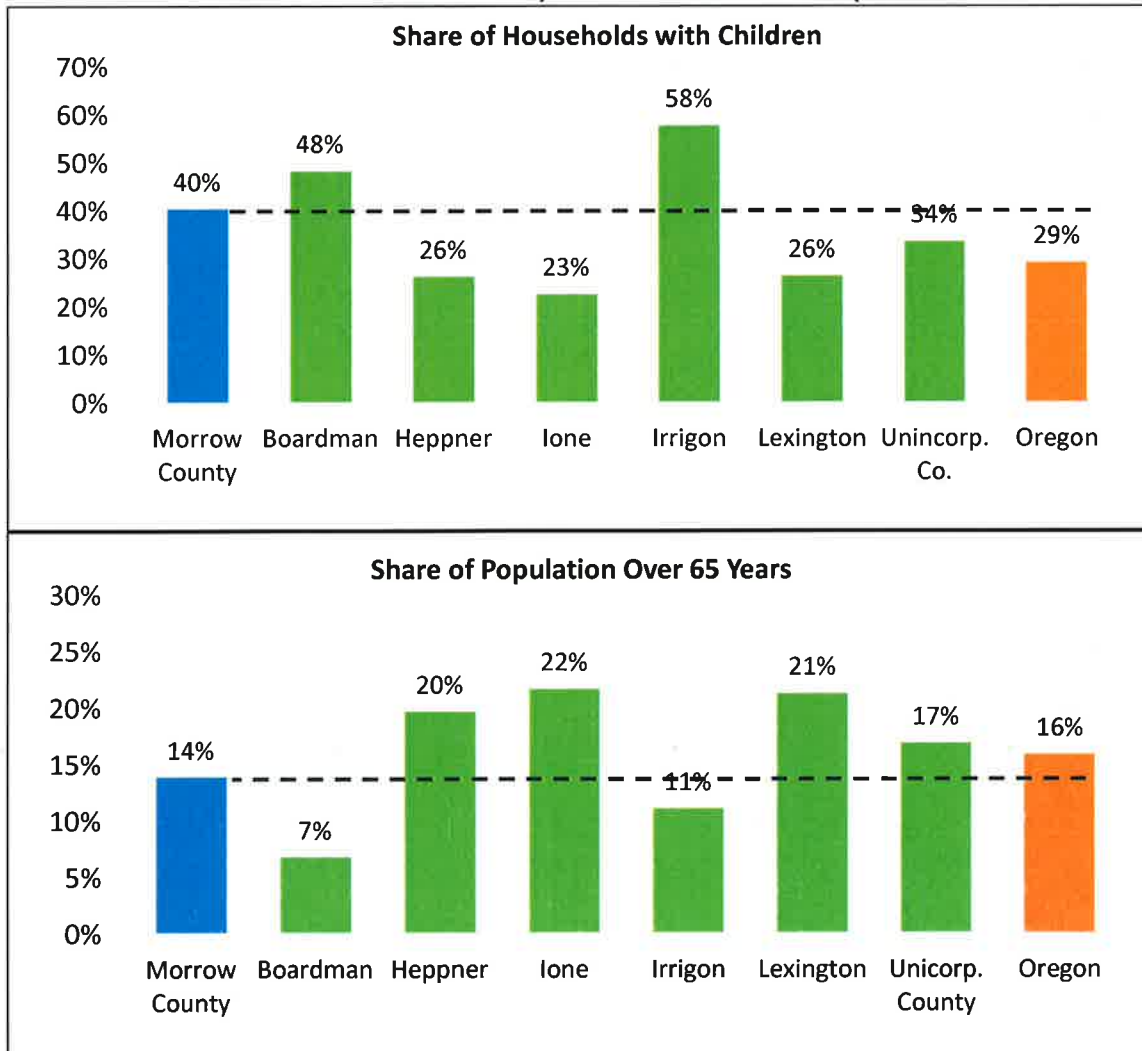
**FIGURE 1.4: AGE COHORT TRENDS, 2000 - 2017**



SOURCE: US Census, JOHNSON ECONOMICS LLC  
 Census Tables: QT-P1 (2000); S0101 (2017 ACS 5-yr Estimates)

- The cohorts that grew in share during this period were those aged 55 and older. Still an estimated 85% of the population is under 65 years of age.
- Figure 1.5 presents the share of households with children, and the share of population over 65 years for comparison. Compared to the state average, Morrow County has a much larger share of households with children and a smaller share of the population over 65.
- The smaller rural communities tend to have fewer households with children while, the largest towns have more. Overall, the county population has fewer senior citizens than the statewide average, but the small rural communities have more.

**FIGURE 1.5: SHARE OF HOUSEHOLDS WITH CHILDREN/ POPULATION OVER 65 YEARS (MORROW COUNTY & CITIES)**



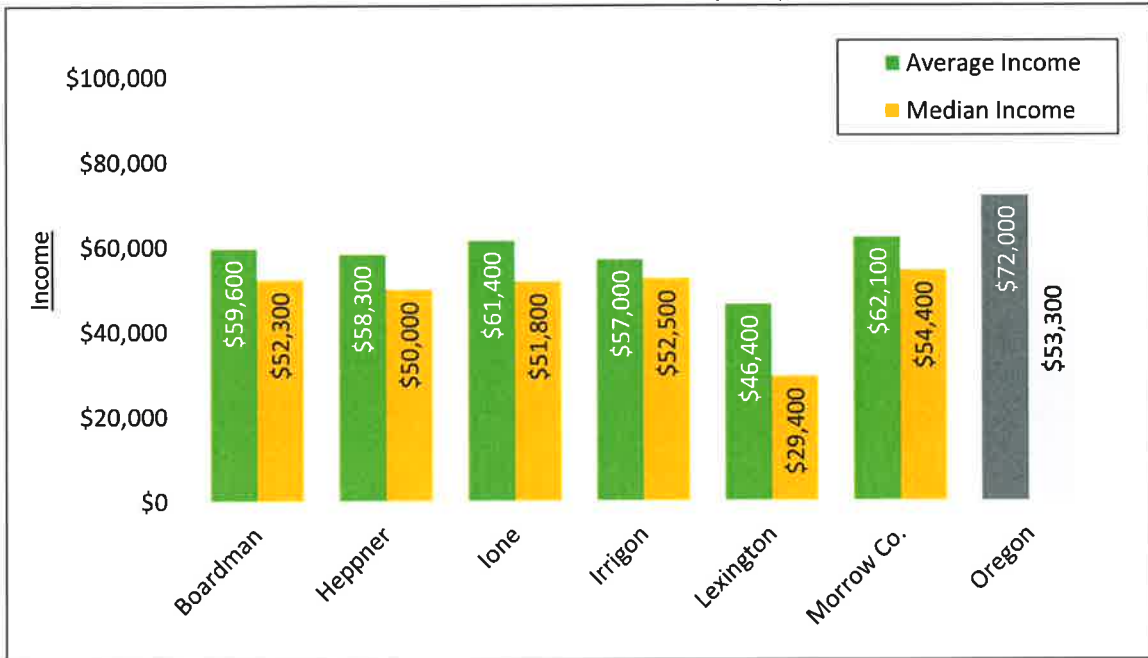
Source: US Census  
 Census Tables: B11005; S0101 (2017 ACS 5-yr Estimates)

**E. HOUSEHOLD INCOME & EMPLOYMENT**

County households have average incomes below the state average, but median incomes near the state median. Estimated incomes are fairly even across the county, but a bit higher in Boardman, Lone, Heppner and unincorporated areas (Figure 1.6). Incomes are lower in Lexington.

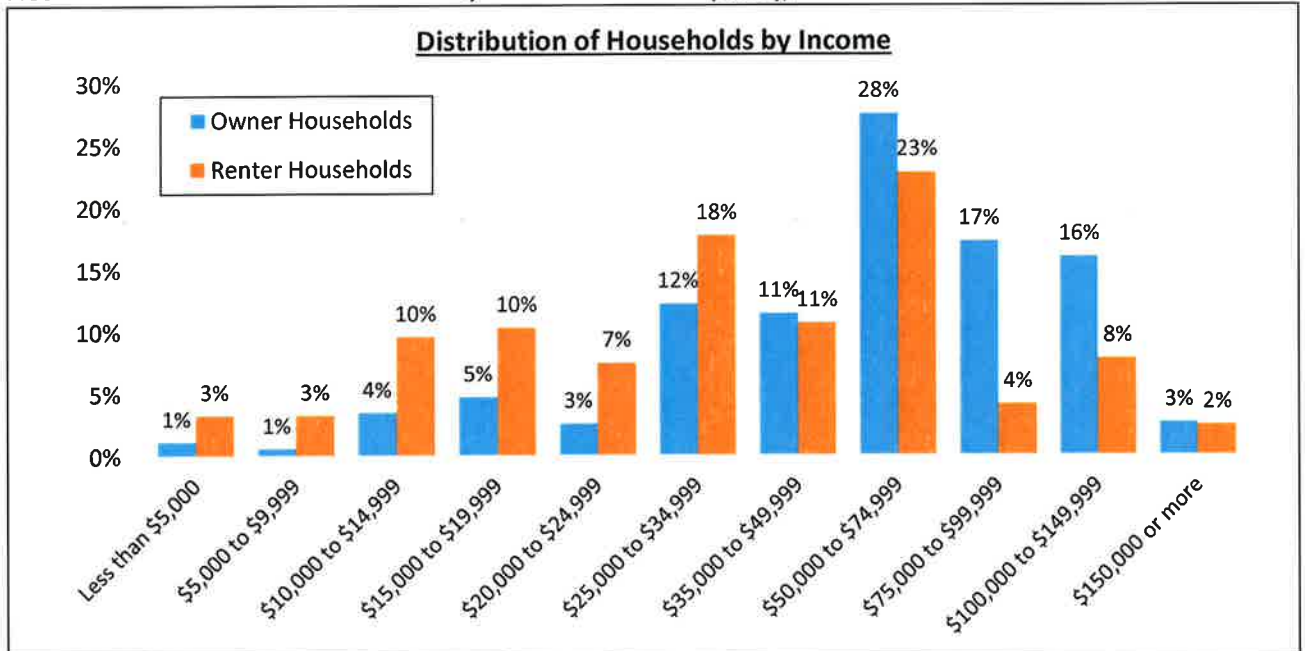
Ownership households tend to have higher incomes than renter households, as is the normal trend (Figure 1.7). However, in both cases the largest single income cohort is the \$50,000 to \$75,000 in keeping with the average and median incomes across the county.

**FIGURE 1.6: ESTIMATED AVERAGE AND MEDIAN HOUSEHOLD INCOME (2018), COUNTY AND CITIES**



Source: US Census

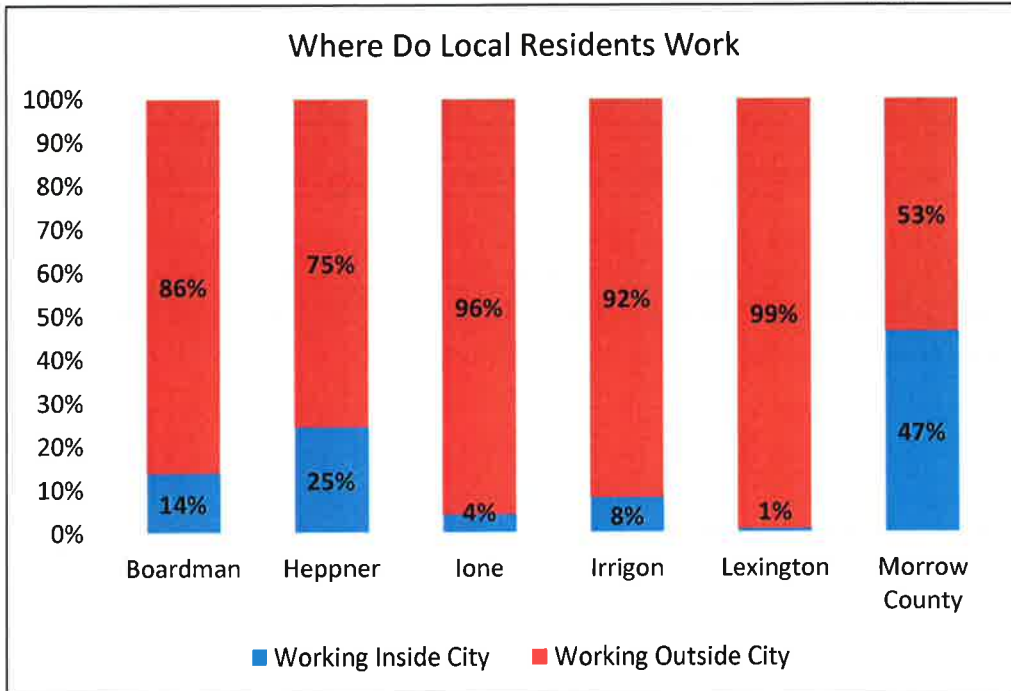
**FIGURE 1.7: ESTIMATED HOUSEHOLD INCOME, OWNERS VS. RENTERS (2016), MORROW COUNTY**



Source: US Census

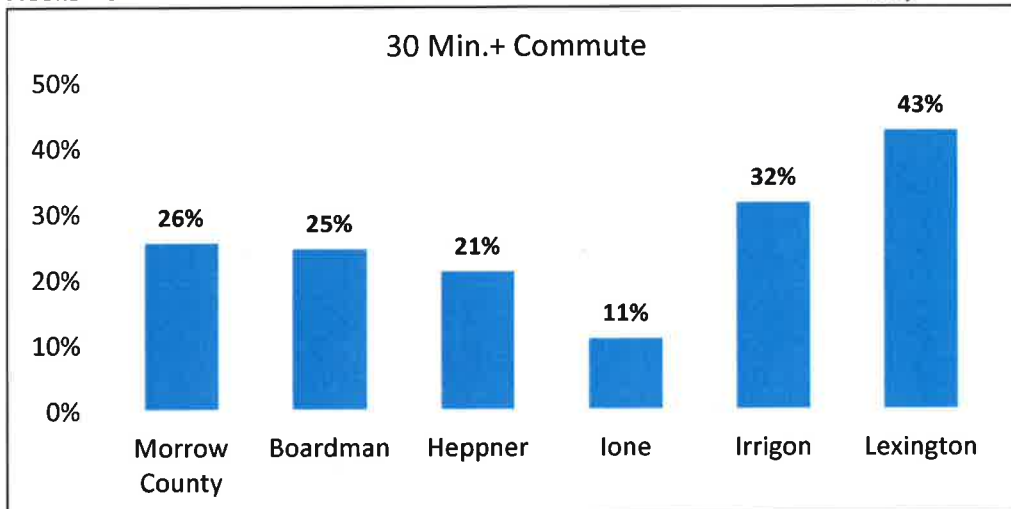
Residents tend to work outside of their own communities with much cross-commuting around the region. According to Census estimates in most communities, an estimated 75% plus of working residents are working outside of their own city. Many work fairly close, including in unincorporated areas near the city, with only 26% of county commuters reporting a commute of 30 minutes or more.

**FIGURE 1.8: EMPLOYED RESIDENTS WORKING INSIDE OR OUTSIDE OF PLACE OF RESIDENCE, COUNTY AND CITIES**



Source: Census Employment Dynamics

**FIGURE 1.9: EMPLOYED RESIDENTS WORKING INSIDE OR OUTSIDE OF PLACE OF RESIDENCE, COUNTY AND CITIES**



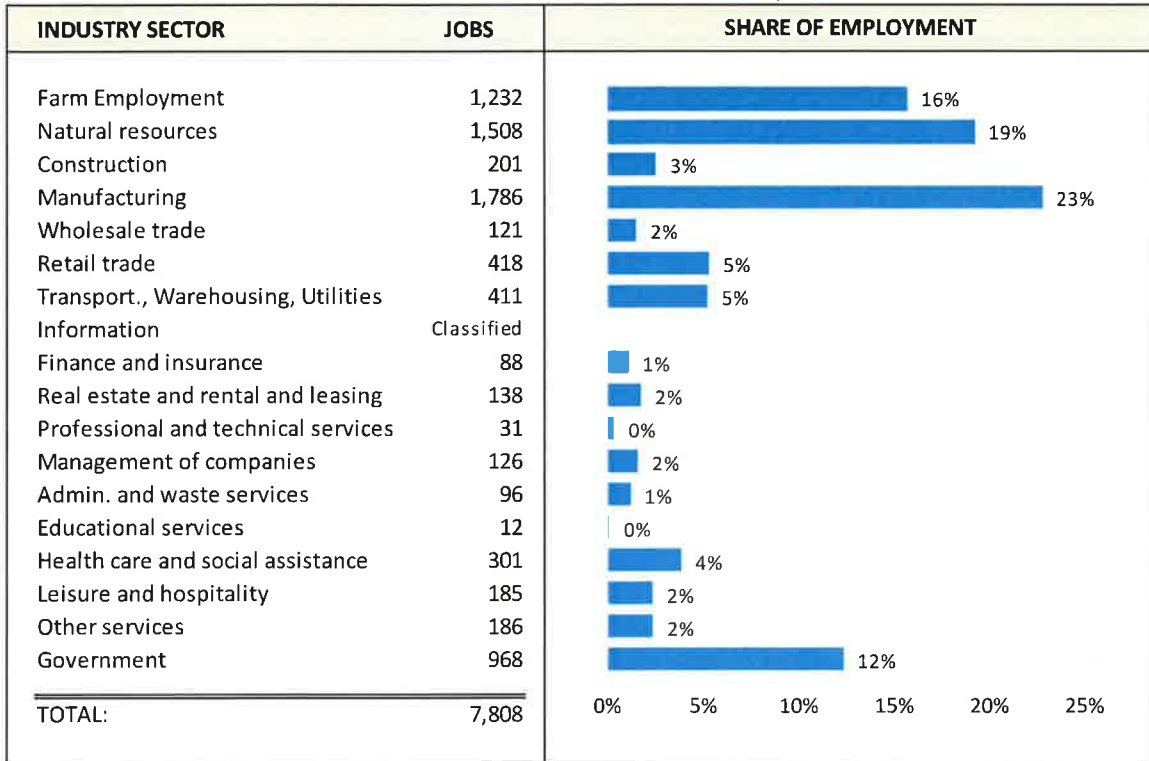
Source: US Census

Figure 1.10 presents a breakdown of estimated employment by industry sector in Morrow County, including farm employment and an estimate of self-employment and other “non-covered” employment.

Morrow County has a largest share of employment in manufacturing (including food processing), natural resources (fishing, forestry, mining and some agricultural jobs), farm employment, and government (including local, state and federal).



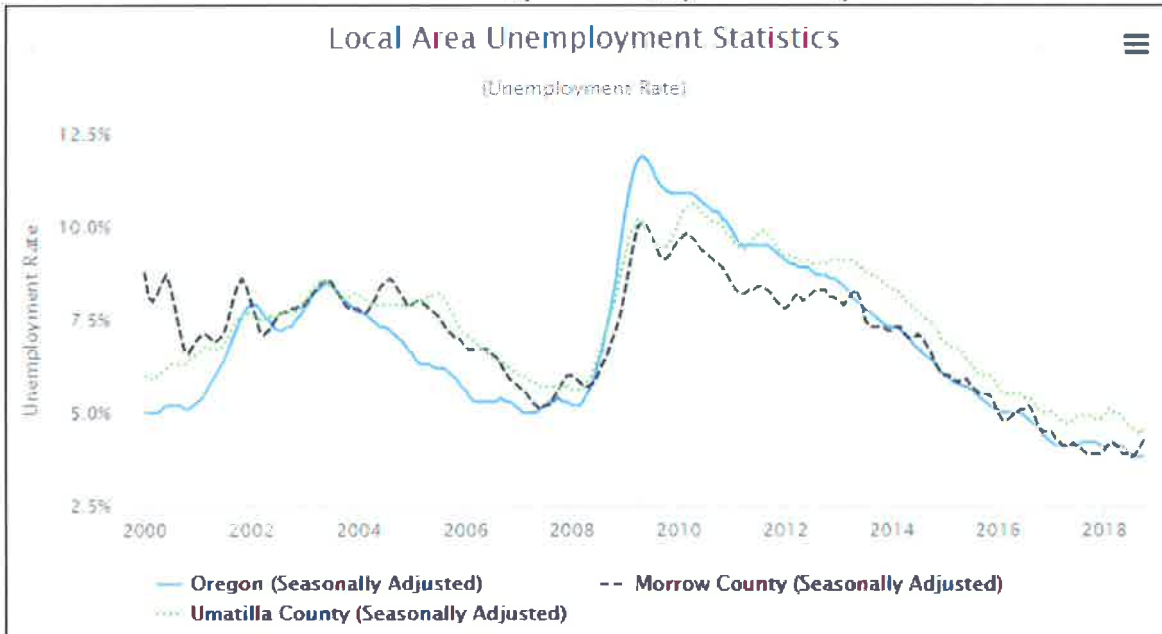
**FIGURE 1.10: BREAKDOWN OF COVERED EMPLOYMENT, MORROW COUNTY (2018)**



Source: Bureau of Economic Analysis, Oregon Employment Department

**Jobs/Household Ratio:** Morrow County features an estimated jobs-to-households ratio of 1.85 jobs per household, which means there are a relatively high number of jobs in comparison to households. (There is no “correct” jobs/household ratio, but generally a ratio of 1.0 would mean a balance of employment and residential activity in a jurisdiction. It does not imply that residents will necessarily hold most of these jobs.)

**FIGURE 1.11: UNEMPLOYMENT RATE COMPARISON, MORROW CO., UMATILLA CO., AND OREGON**



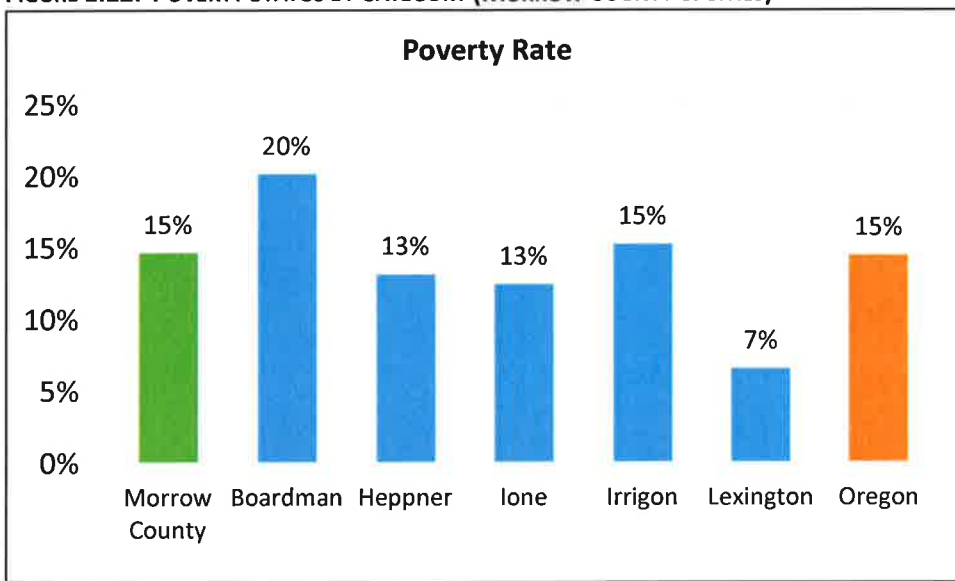
Source: Oregon Employment Department

The Unemployment rate in Morrow County remained below that of the state during the worst of the last recession (Figure 1.11), peaking at around 10%. Since then it has fallen steadily and is now near the state average of 4% unemployment. The county rate has consistently stayed a bit lower than that of neighboring Umatilla County (4.5%).

**F. POVERTY STATISTICS**

According to the US Census, the official poverty rate in Morrow County is an estimated 15% over the most recent period reported (2017 5-year estimates).<sup>2</sup> This is roughly 1,635 individuals in Morrow County. In comparison, the official poverty rate at the state level is also 15%. Figure 1.12 shows a comparison of poverty rate among the county and the cities. The rate is estimated to be higher in Boardman and Irrigon and lower in the smaller communities. The discrepancy between Census data pointing to Lexington’s low poverty rate despite low estimated incomes is unexplained.

**FIGURE 1.12: POVERTY STATUS BY CATEGORY (MORROW COUNTY & CITIES)**

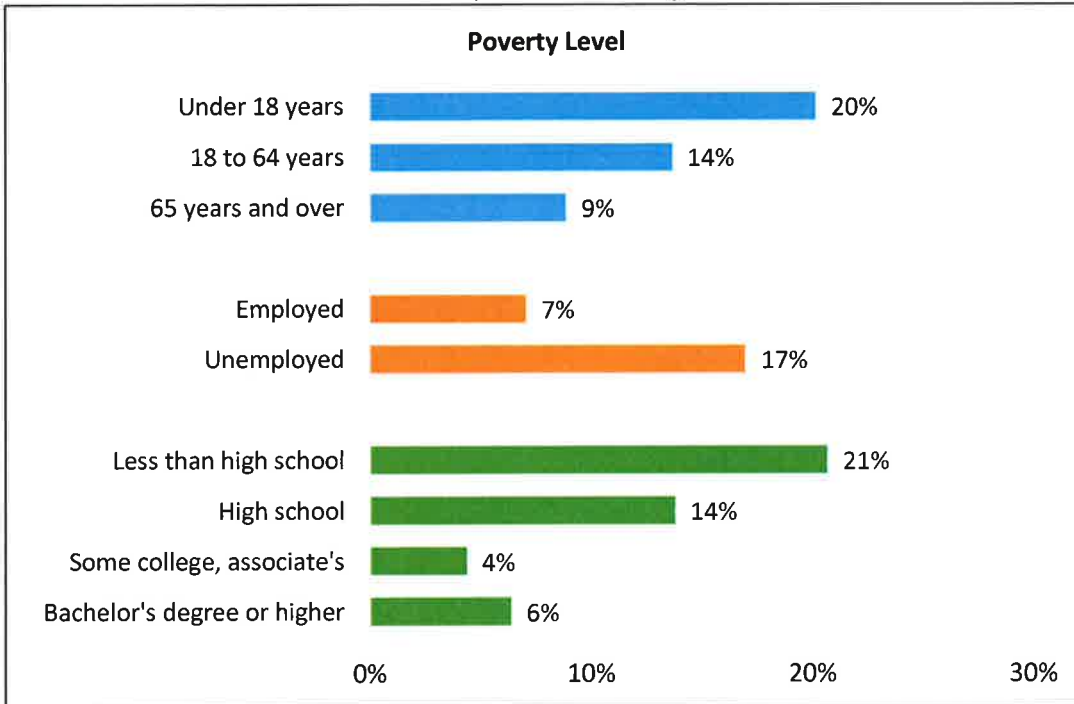


SOURCE: US Census  
In the 2013-17 period:

- Morrow County’s poverty rate is highest among children at 20%. The rate is 14% among those 18 to 64 years of age. The rate is lowest for those 65 and older at 9%.
- For those without a high school diploma the poverty rate is 21%. For those with a high school diploma only, the estimated rate is 14%. For those with at least some college education the poverty rate is much lower.
- Among those who are employed the poverty rate is 7%, while it is 17% for those who are unemployed.

<sup>2</sup> Census Tables: S1701 (2017 ACS 5-yr Estimates)

**FIGURE 1.13: POVERTY STATUS BY CATEGORY (MORROW COUNTY)**



SOURCE: US Census

## II. CURRENT HOUSING CONDITIONS

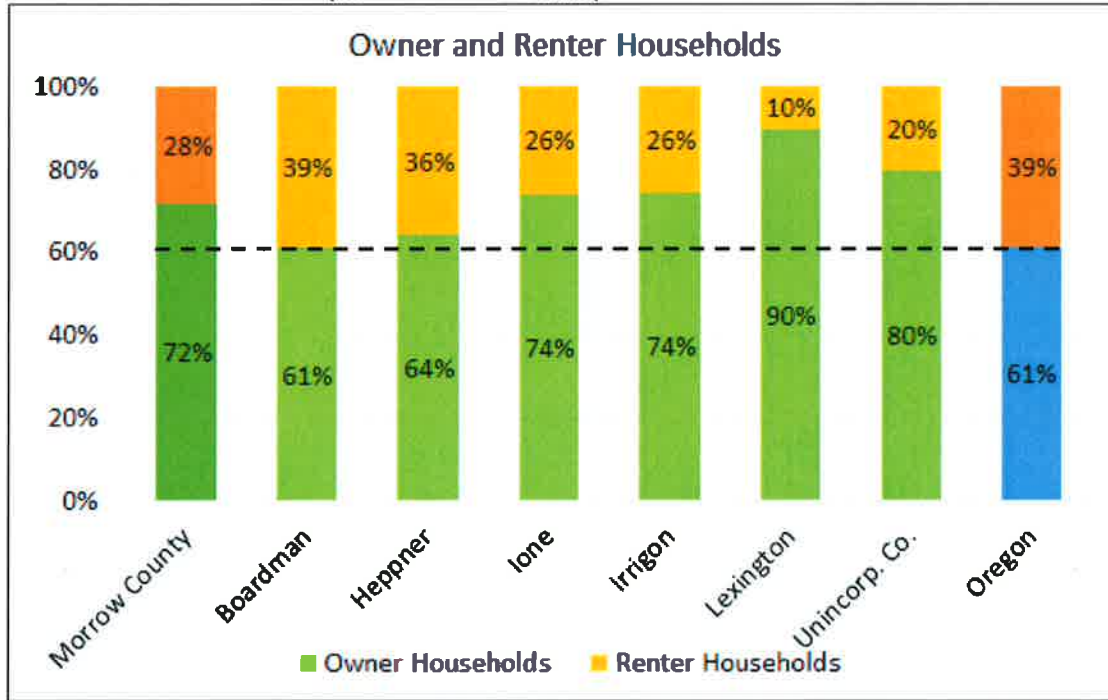
The following figure presents a profile of the current housing stock and market indicators in Morrow County. This profile forms the foundation to which current and future housing needs will be compared.

### A. HOUSING TENURE

Morrow County has a larger share of owner households than renter households among permanent residents. The 2017 American Community Survey estimates that 72% of occupied units were owner occupied, and 28% renter occupied. The estimated ownership rate is lower in Boardman and Heppner, and higher in the other communities and unincorporated areas.

The ownership rate in Morrow County has fallen slightly from 73% since 2000. During this period the statewide rate fell from 64% to 61%. Nationally, the homeownership rate has nearly reached the historical average of 65%, after the rate climbed from the late 1990's to 2004 (69%).

FIGURE 2.1: HOUSING TENURE (MORROW COUNTY CITIES)



SOURCE: Census ACS 2017

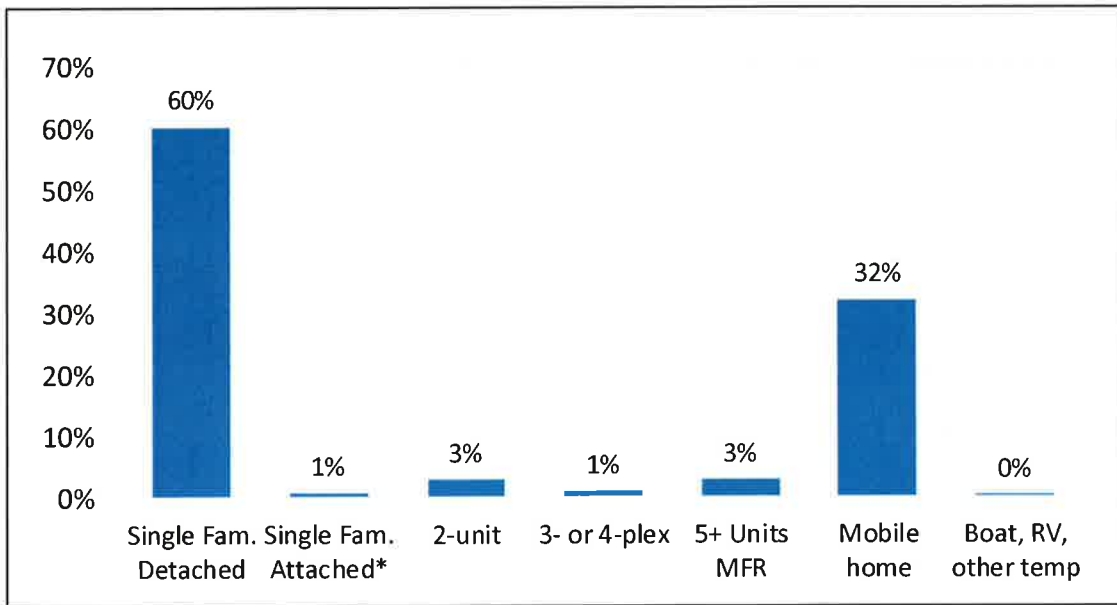
### B. HOUSING STOCK

As discussed in Section I, Morrow County UGB had an estimated 4,617 housing units in 2018, with an estimated total vacancy rate of 8%.

Figure 2.2 shows the estimated number of units by type in 2017. Detached single-family homes represent an estimated 60% of housing units, while mobile homes represent an additional 32% of inventory.

Units in larger apartment complexes of 5 or more units represent just 3% of units, and other types of attached homes represent an additional 5% of units. (Attached single family generally includes townhomes, some condo flats, and -plexes which are separately metered.) There is a small share of households living in RV's and other non-traditional or temporary housing.

**FIGURE 2.2: ESTIMATED SHARE OF UNITS, BY PROPERTY TYPE, 2017 (MORROW COUNTY)**

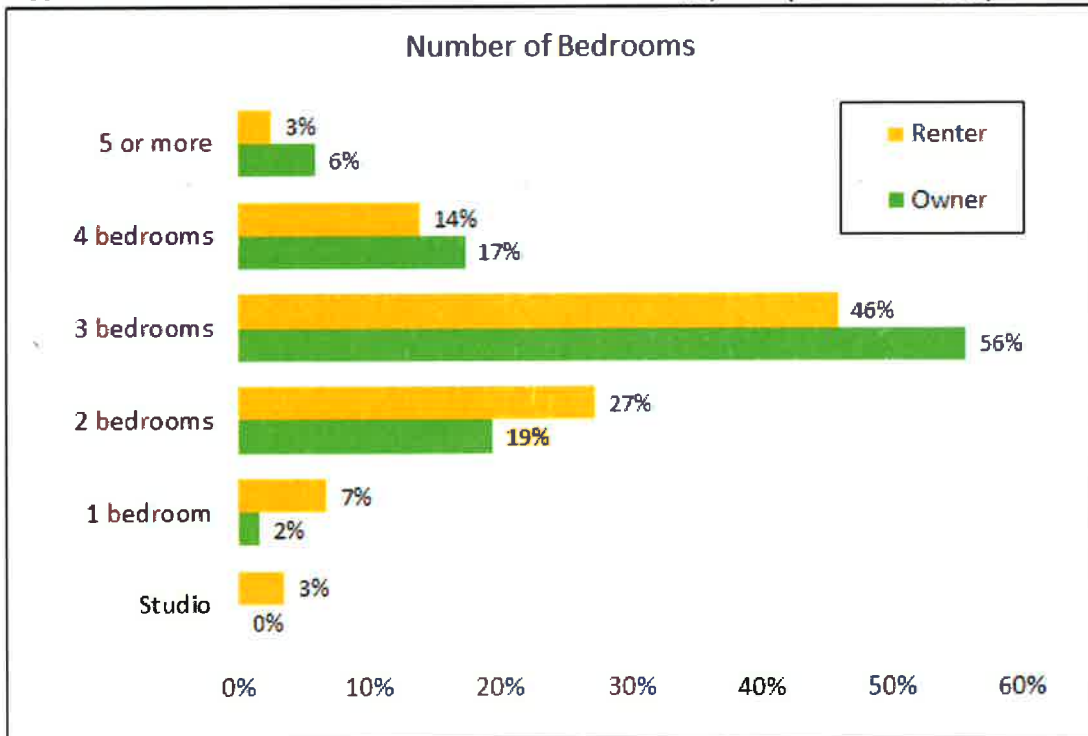


\* Census definition includes townhomes/rowhouses and duplexes attached side-by-side, separately metered  
 SOURCE: Morrow County, Census ACS 2017

**C. NUMBER OF BEDROOMS**

Figure 2.3 shows the share of units for owners and renters by the number of bedrooms they have. Owner-occupied units are more likely to have three or more bedrooms, while renter occupied units are more likely to have two or fewer bedrooms.

**FIGURE 2.3: NUMBER OF BEDROOMS FOR OWNER AND RENTER UNITS, 2017 (MORROW COUNTY)**



SOURCE: US Census  
 Census Tables: B25042 (2017 ACS 5-year Estimates)

**D. UNITS TYPES BY TENURE**

As Figure 2.4 shows, a large share of owner-occupied units (66%) are detached homes, or mobile homes (33%). Renter-occupied units are more distributed among a range of structure types. 74% of rented units are estimated to be detached homes or mobile homes, while the remainder are some form of attached unit. An estimated 11% of rental units are in larger apartment complexes of 5 or more units.

**FIGURE 2.4: CURRENT INVENTORY BY UNIT TYPE, FOR OWNERSHIP AND RENTAL HOUSING**

**OWNERSHIP HOUSING**

UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	2,267	9	12	0	0	1,126	14	<b>3,428</b>
<b>Percentage:</b>	66.1%	0.3%	0.4%	0.0%	0.0%	32.9%	0.4%	100.0%

**RENTAL HOUSING**

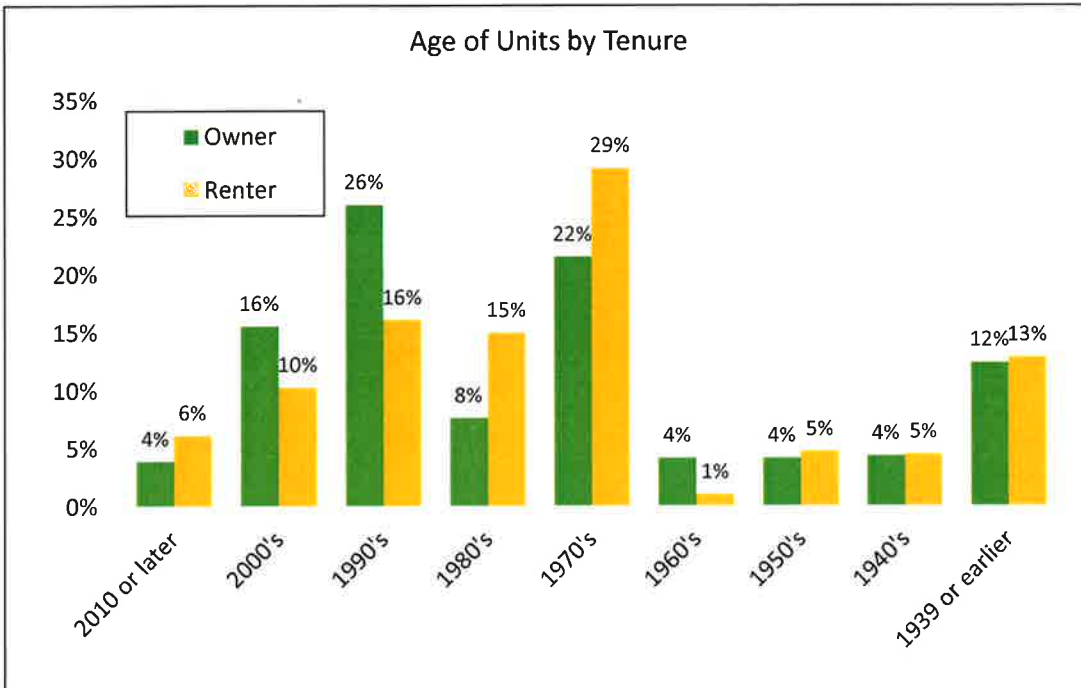
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	521	28	116	43	130	353	0	<b>1,190</b>
<b>Percentage:</b>	43.8%	2.3%	9.7%	3.6%	10.9%	29.7%	0.0%	100.0%

Sources: US Census, JOHNSON ECONOMICS, MORROW COUNTY

**E. AGE OF HOUSING STOCK**

Morrow County’s housing stock reflects the pattern of development in the area over time. 83% of the housing stock is pre-2000 with the remainder being post-2000. Roughly a third of the stock was built in the 1980’s and 1990’s, a quarter in 1970’s, and another quarter in 1960’s and earlier. Figure 2.5 shows that owners are more likely to live in newer housing, while rental housing is more evenly distributed among the time periods.

**FIGURE 2.5: AGE OF UNITS FOR OWNERS AND RENTERS**

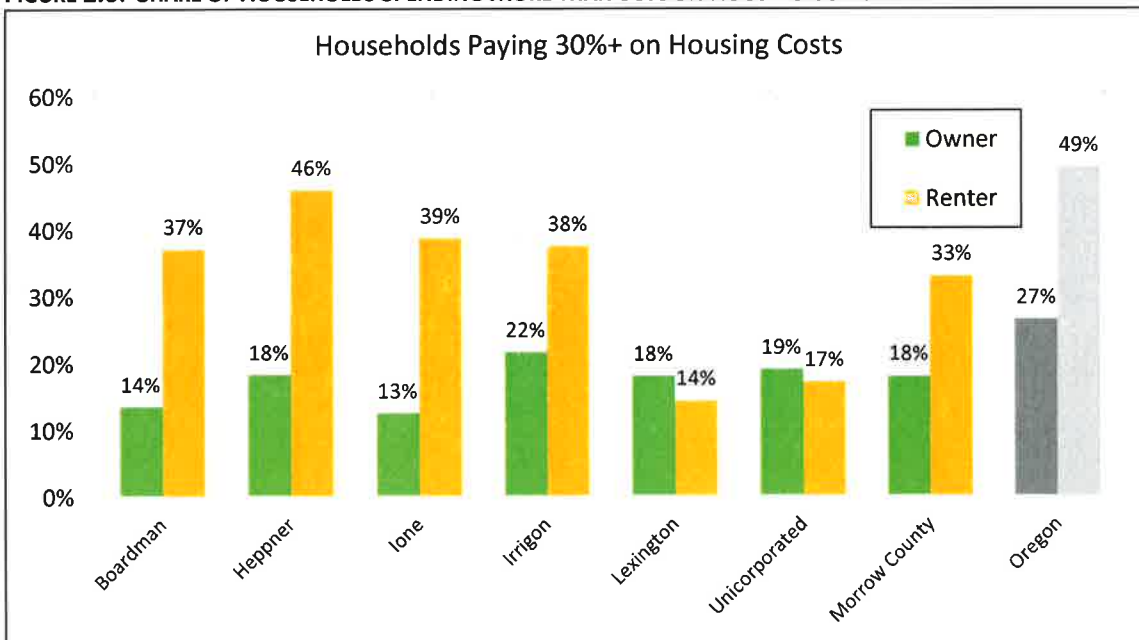


SOURCE: US Census  
 Census Tables: B25036 (2017 ACS 5-year Estimates)

**F. HOUSING COSTS VS. LOCAL INCOMES**

Figure 2.6 shows the share of owner and renter households who are paying more than 30% of their household income towards housing costs. (Spending 30% or less on housing costs is a common measure of “affordability” used by HUD and others, and in the analysis presented in this report.)

**FIGURE 2.6: SHARE OF HOUSEHOLDS SPENDING MORE THAN 30% ON HOUSING COSTS**



Sources: US Census, JOHNSON ECONOMICS  
 Census Table: B25106 (2017 ACS 5-yr Estimates)

In comparison to the state, Morrow County and the cities tend to have a lower share of both owner and renter households spending more than 30% of their income on housing costs. Nevertheless, 22% of county households fall within this category.

Renters are disproportionately lower income relative to homeowners. The burden of housing costs are felt more broadly for these households, and as the analysis presented in a later section shows, there is a need for more affordable rental units in Morrow County, as in most communities.

## **G. PUBLICLY-ASSISTED HOUSING**

Currently Morrow County is home to 408 rent-subsidized units in ten properties. This represents over 8% of the county's housing stock. Of these units an estimated 245 are intended for families or a mixture of residents, while the remainder serve specialty populations such as the elderly, disabled or farmworker populations.

The Umatilla County Housing Authority also administers housing choice vouchers which may be used in Morrow County or other counties in the jurisdiction.

**Agricultural Worker Housing:** There are roughly 175 units intended for farm workers and/or their families in Morrow County. This represents an estimated 15% of the county rental inventory. Other than a small property in Irrigon, all of these are located in Boardman.

**Homelessness:** A Point-in-Time count of homeless individuals in Morrow County conducted in 2017 found no homeless individuals on the streets, however local agencies and leaders are aware of a homeless population in the community. One challenge in counting these individuals is that Morrow County does not have shelter housing that helps to identify and register homeless individuals and households. The County is working to identify strategies to better capture the number of homeless in the area in the next Point-in-Time count.



### III. CURRENT HOUSING NEEDS (MORROW COUNTY)

This section discusses the assessment of current housing needs and explains methodology. This is provided here *at the County-wide level*. Findings for the individual cities are presented at the end of this report, with less explanation of methodology and interim steps.

\* \* \*

The profile of current housing conditions in the study area is based on Census 2010, which the Portland State University Population Research Center (PRC) uses to develop yearly estimates that have been further forecasted to 2018.

**FIGURE 3.1: CURRENT HOUSING PROFILE (2018)**

CURRENT HOUSING CONDITIONS (2018)		SOURCE
Total 2018 Population:	11,927	PSU Pop. Research Center
<u>- Estimated group housing population:</u>	<u>24</u> (0.2% of Total)	US Census
<b>Estimated Non-Group 2018 Population:</b>	<b>11,903</b> (Total - Group)	
Avg. HH Size:	2.82	US Census
<b>Estimated Non-Group 2018 Households:</b>	<b>4,221</b> (Pop/HH Size)	
<b>Total Housing Units:</b>	<b>4,617</b> (Occupied + Vacant)	Census 2010 + permits
Occupied Housing Units:	4,221 (= # of HH)	
Vacant Housing Units:	397 (Total HH - Occupied)	
Current Vacancy Rate:	8.6% (Vacant units/ Total units)	

Sources: Johnson Economics, City of Boardman, PSU Population Research Center, U.S. Census

We estimate a current population of roughly 12,000 residents, living in 4,220 households (excluding group living situations). Average household size is 2.8 persons.

There are an estimated 4,617 housing units in the county, with nearly 400 units vacant. The estimated 2018 vacancy rate of housing units is 8.5%. This includes units vacant for any reason, not just those which are currently for sale or rent.

#### ESTIMATE OF CURRENT HOUSING DEMAND

Following the establishment of the current housing profile, the current housing demand was determined based upon the age and income characteristics of current households.

The analysis considered the propensity of households in specific age and income levels to either rent or own their home (tenure), in order to derive the current demand for ownership and rental housing units and the appropriate housing cost level of each. This is done by combining data on tenure by age and tenure by income from the Census American Community Survey (tables: B25007 and B25118, 2014 ACS 5-yr Estimates).

The analysis takes into account the average amount that owners and renters tend to spend on housing costs. For instance, lower income households tend to spend more of their total income on housing, while upper income households spend less on a percentage basis. In this case, it was assumed that households in lower income bands would *prefer* housing costs at no more than 30% of gross income (a common measure of affordability). Higher income households pay a decreasing share down to 20% for the highest income households.

While the Census estimates that most low-income households pay more than 30% of their income for housing, this is an estimate of current preferred demand. It assumes that low-income households prefer (or demand) units affordable to them at no more than 30% of income, rather than more expensive units.

Figure 3.2 presents a snapshot of current housing demand (i.e. preferences) equal to the number of households in the study area (4,221). The breakdown of tenure (owners vs. renters) reflects the high ownership rate in the county (73% vs.27%).

The estimated home price and rent ranges are irregular because they are mapped to the affordability levels of the Census income level categories. For instance, an affordable home for those in the lowest income category (less than \$15,000) would have to cost \$70,000 or less. Affordable rent for someone in this category would be \$315 or less.

**FIGURE 3.2: ESTIMATE OF CURRENT HOUSING DEMAND (2018)**

Ownership				
Price Range	Income Range	# of Households	% of Total	Cumulative
\$0k - \$70k	Less than \$15,000	192	6.2%	6.2%
\$70k - \$110k	\$15,000 - \$24,999	245	8.0%	14.2%
\$110k - \$160k	\$25,000 - \$34,999	319	10.4%	24.6%
\$160k - \$200k	\$35,000 - \$49,999	437	14.2%	38.8%
\$200k - \$280k	\$50,000 - \$74,999	754	24.5%	63.3%
\$280k - \$360k	\$75,000 - \$99,999	479	15.6%	78.9%
\$360k - \$450k	\$100,000 - \$124,999	264	8.6%	87.5%
\$450k - \$540k	\$125,000 - \$149,999	210	6.8%	94.3%
\$540k - \$720k	\$150,000 - \$199,999	135	4.4%	98.7%
\$720k +	\$200,000+	40	1.3%	100.0%
<b>Totals:</b>		<b>3,073</b>	<b>% of All:</b>	<b>72.8%</b>

Rental				
Rent Level	Income Range	# of Households	% of Total	Cumulative
\$0 - \$310	Less than \$15,000	179	15.6%	15.6%
\$310 - \$520	\$15,000 - \$24,999	193	16.8%	32.4%
\$520 - \$730	\$25,000 - \$34,999	150	13.1%	45.5%
\$730 - \$930	\$35,000 - \$49,999	170	14.8%	60.4%
\$930 - \$1320	\$50,000 - \$74,999	259	22.6%	82.9%
\$1320 - \$1670	\$75,000 - \$99,999	46	4.0%	86.9%
\$1670 - \$2080	\$100,000 - \$124,999	62	5.4%	92.3%
\$2080 - \$2500	\$125,000 - \$149,999	35	3.1%	95.3%
\$2500 - \$3330	\$150,000 - \$199,999	43	3.7%	99.1%
\$3330 +	\$200,000+	10	0.9%	100.0%
<b>Totals:</b>		<b>1,148</b>	<b>% of All:</b>	<b>27.2%</b>

<b>All Households</b>	<b>4,221</b>
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Sources: PSU Population Research Center, Environics Analytics, Census, JOHNSON ECONOMICS  
 Census Tables: B25007, B25106, B25118 (2014 ACS 5-yr Estimates)  
 Environics Analytics: Estimates of income by age of householder

**CURRENT HOUSING INVENTORY**

The profile of current housing demand (Figure 3.2) represents the preference and affordability levels of households. In reality, the current housing supply (Figure 3.3 below) differs from this profile, meaning that some households may find themselves in housing units which are not optimal, either not meeting the household's own/rent preference, or being unaffordable (requiring more than 30% of gross income).

A profile of current housing supply in the county was determined using Census data from the most recently available 2017 ACS, which provides a profile of housing values, rent levels, and housing types (single family, attached, mobile home, etc.)

- An estimated 74% of housing units are ownership units, while an estimated 26% of housing units are rental units. This closely matches the estimated demand profile shown in Figure 3.2. (The inventory includes vacant units, so the breakdown of ownership vs. rental does not exactly match the tenure split of actual households.)
- 66% of ownership units are detached homes, and 33% are mobile homes. 44% of rental units are single family homes, and 30% are mobile homes. An estimated 26% of rental units are some form of attached or multi-family units.
- Of total housing units, an estimated 60% are detached homes, 32% are mobile homes, while only 8% are some sort of attached type.

**FIGURE 3.3: PROFILE OF CURRENT HOUSING SUPPLY (2018)**

OWNER HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	2,267	9	12	0	0	1,126	14	3,428	74%
Percentage:	66.1%	0.3%	0.4%	0.0%	0.0%	32.9%	0.4%	100.0%	

RENTAL HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	521	28	116	43	130	353	0	1,190	26%
Percentage:	43.8%	2.3%	9.7%	3.6%	10.9%	29.7%	0.0%	100.0%	

TOTAL HOUSING UNITS									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
Totals:	2,788	36	128	43	130	1,479	14	4,617	100%
Percentage:	60.4%	0.8%	2.8%	0.9%	2.8%	32.0%	0.3%	100.0%	

Source: Johnson Economics

\* Census definition, including townhomes/rowhouses and duplexes attached side-by-side, separately metered

Sources: US Census, PSU Population Research Center, JOHNSON ECONOMICS  
 Census Tables: B25004, B25032, B25063, B25075 (2014 ACS 5-yr Estimates)

**COMPARISON OF CURRENT HOUSING DEMAND WITH CURRENT SUPPLY**

A comparison of estimated current housing *demand* with the existing *supply* identifies the existing discrepancies between needs and the housing which is currently available.

In general, this identifies that there is currently support for more ownership housing at price ranges above \$200,000. This is because most housing in the county is clustered at the lower price points, while analysis of household incomes and ability to pay indicates that some could afford housing at higher price points.

The analysis identifies a need for rental units at the lowest price level to serve those households currently paying a high share of their income towards rent. There are levels of estimated surplus for apartments (\$300 to \$900 per month). This represents the common range of rent prices in the county, where most units can be expected to congregate. Rentals at more expensive levels generally represent single family homes or larger properties for rent.

**FIGURE 3.4: COMPARISON OF CURRENT NEED TO CURRENT SUPPLY (2018)**

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$70k	192	605	413	\$0 - \$310	179	46	(133)
\$15,000 - \$24,999	\$70k - \$110k	245	527	281	\$310 - \$520	193	221	28
\$25,000 - \$34,999	\$110k - \$160k	319	1,065	746	\$520 - \$730	150	357	207
\$35,000 - \$49,999	\$160k - \$200k	437	511	75	\$730 - \$930	170	324	154
\$50,000 - \$74,999	\$200k - \$280k	754	415	(339)	\$930 - \$1320	259	209	(50)
\$75,000 - \$99,999	\$280k - \$360k	479	110	(369)	\$1320 - \$1670	46	19	(26)
\$100,000 - \$124,999	\$360k - \$450k	264	60	(204)	\$1670 - \$2080	62	10	(52)
\$125,000 - \$149,999	\$450k - \$540k	210	23	(186)	\$2080 - \$2500	35	4	(31)
\$150,000 - \$199,999	\$540k - \$720k	135	34	(101)	\$2500 - \$3330	43	0	(43)
\$200,000+	\$720k +	40	79	38	\$3330 +	10	0	(10)
	<b>Totals:</b>	<b>3,073</b>	<b>3,428</b>	<b>355</b>	<b>Totals:</b>	<b>1,148</b>	<b>1,190</b>	<b>41</b>

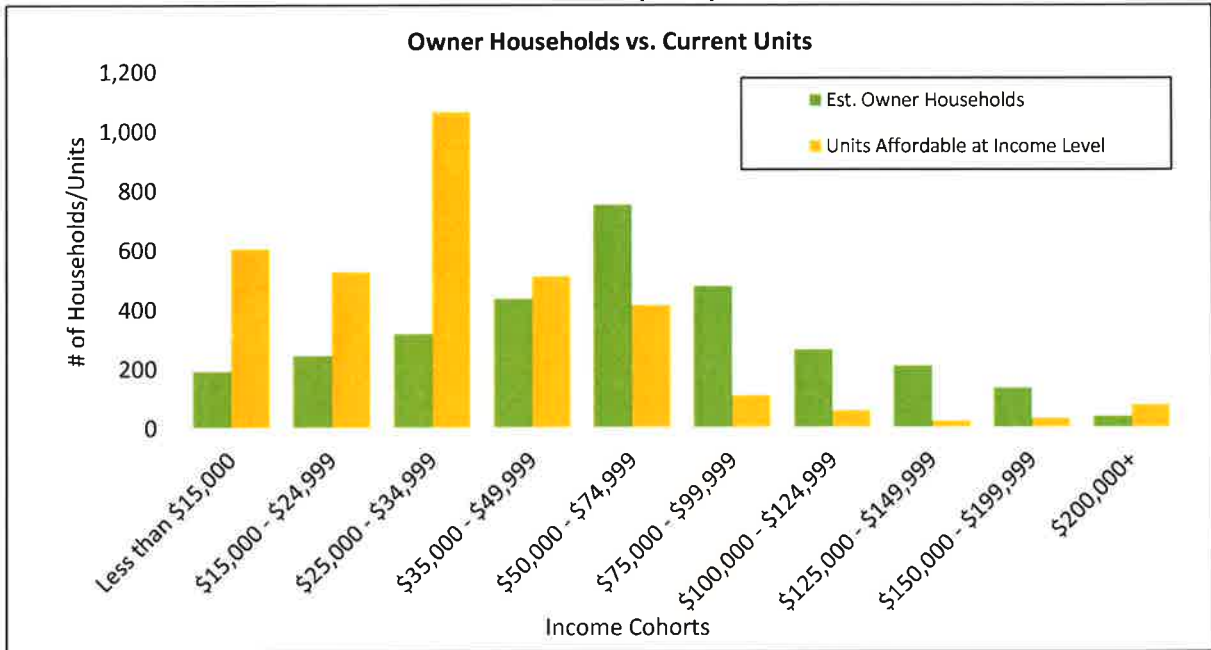
<b>Occupied Units:</b>	<b>4,221</b>
<b>All Housing Units:</b>	<b>4,617</b>
<b>Total Unit Surplus:</b>	<b>397</b>

Sources: PSU Population Research Center, Environics Analytics, Census, JOHNSON ECONOMICS  
 This table is a synthesis of data presented in Figures 2.2 and 2.3.

There are an estimated 400 units more than the current number of households, which reflects the County's current estimated vacancy rate of 8.6%. This figure may be distorted by an undercount of migrant and seasonal farm workers, which make up a sizable share of the county population, and tend to be undercounted due to transitory lifestyle, and reluctance to report.

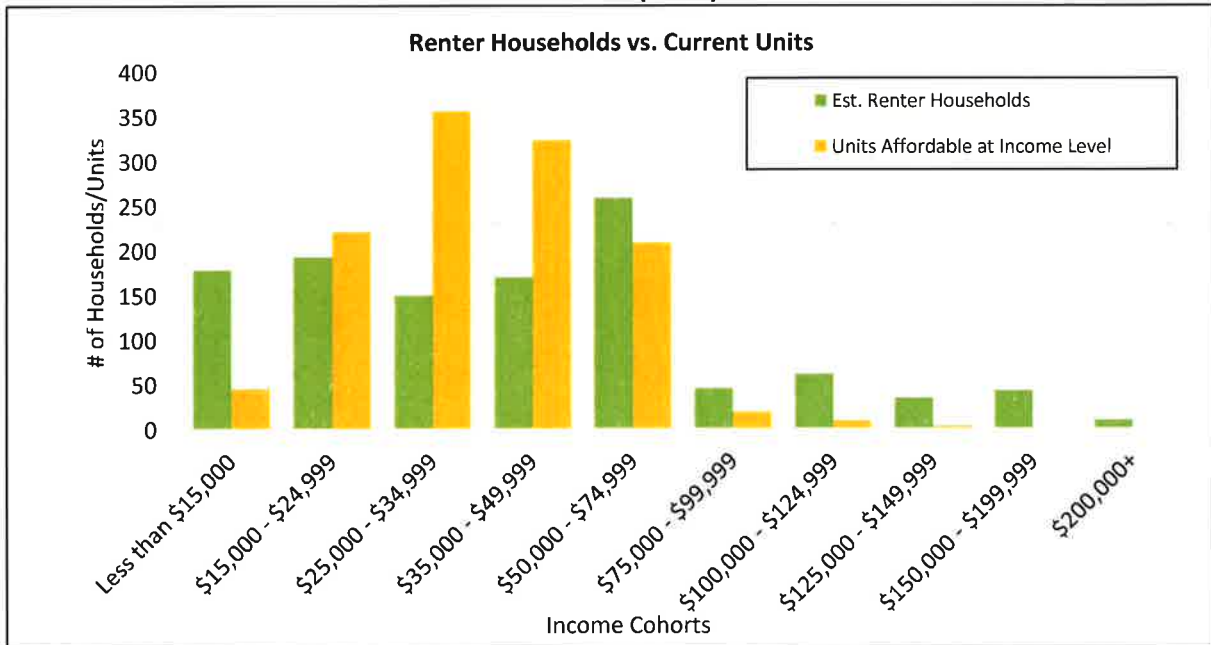
Figures 3.5 and 3.6 (following page) present this information in chart form, comparing the estimated number of households in given income ranges, and the supply of units currently affordable within those income ranges. The data is presented for owner and renter households.

**FIGURE 3.5: COMPARISON OF OWNER HOUSEHOLD INCOME GROUPS TO ESTIMATED SUPPLY AFFORDABLE AT THOSE INCOME LEVELS (2018)**



Sources: PSU Population Research Center, Environics Analytics, Census, JOHNSON ECONOMICS

**FIGURE 3.6: COMPARISON OF RENTER HOUSEHOLD INCOME GROUPS TO ESTIMATED SUPPLY AFFORDABLE AT THOSE INCOME LEVELS (2018)**



Sources: PSU Population Research Center, Environics Analytics, Census, JOHNSON ECONOMICS

#### IV. FUTURE HOUSING NEEDS - 2039 (MORROW COUNTY)

This section discusses the projection of future housing needs and explains methodology. This is provided here *at the County-wide level*. Findings for the individual cities are presented at the end of this report, with less explanation of methodology and interim steps.

\* \* \*

The projected future (20-year) housing profile (Figure 4.1) in the study area is based on the current housing profile, multiplied by an assumed projected future household growth rate. The projected future growth is the official forecasted growth rate for Morrow County generated by the PSU Oregon Forecast Program.

**FIGURE 4.1: FUTURE HOUSING PROFILE (2039)**

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2039)		SOURCE
2018 Population (Minus Group Pop.)	11,903	2010 Census, PSU
Projected Annual Growth Rate	0.79%	OR Population Forecast Program PSU
2038 Population (Minus Group Pop.)	13,925	(Total 2039 Population - Group Housing Pop.)
Estimated group housing population:	29	Share of total pop from 2010 Census US Census
<b>Total Estimated 2039 Population:</b>	<b>13,954</b>	(PSU forecast) PSU
<b>Estimated Non-Group 2039 Households:</b>	<b>4,938</b>	(2039 Non-Group Pop./Avg. Household Size)
New Households 2018 to 2039	717	
Avg. Household Size:	2.82	Projected household size US Census
<b>Total Housing Units:</b>	<b>5,195</b>	Occupied Units plus Vacant
Occupied Housing Units:	4,938	(= Number of Non-Group Households)
Vacant Housing Units:	257	
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)

Sources: PSU Population Research Center Oregon Population Forecast Program, Census, JOHNSON ECONOMICS LLC

\*Projections are applied to estimates of 2018 population.

The model projects growth in the number of non-group households over 20 years of roughly 720 new households, with accompanying population growth of 2,025 new residents. (The number of households differs from the number of housing units, because the total number of housing units includes a percentage of vacancy. Projected housing unit needs are discussed below.)

#### PROJECTION OF FUTURE HOUSING UNIT DEMAND (2039)

The profile of future housing demand was derived using the same methodology used to produce the estimate of current housing need. This estimate includes current and future households, *but does not include a vacancy assumption*. The vacancy assumption is added in the subsequent step. Therefore the need identified below is the total need for actual households in occupied units (4,938).

The analysis considered the propensity of households at specific age and income levels to either rent or own their home, in order to derive the future need for ownership and rental housing units, and the affordable cost level of each. The projected need is for *all* 2039 households and therefore includes the needs of current households.

**FIGURE 4.2: PROJECTED OCCUPIED FUTURE HOUSING DEMAND (2039)**

Ownership				
Price Range	Income Range	# of Households	% of Total	Cumulative
\$0k - \$70k	Less than \$15,000	221	6.2%	6.2%
\$70k - \$110k	\$15,000 - \$24,999	284	8.0%	14.2%
\$110k - \$160k	\$25,000 - \$34,999	369	10.4%	24.5%
\$160k - \$200k	\$35,000 - \$49,999	506	14.2%	38.7%
\$200k - \$280k	\$50,000 - \$74,999	874	24.5%	63.3%
\$280k - \$360k	\$75,000 - \$99,999	556	15.6%	78.9%
\$360k - \$450k	\$100,000 - \$124,999	306	8.6%	87.5%
\$450k - \$540k	\$125,000 - \$149,999	243	6.8%	94.3%
\$540k - \$720k	\$150,000 - \$199,999	156	4.4%	98.7%
\$720k +	\$200,000+	47	1.3%	100.0%
<b>Totals:</b>		<b>3,560</b>	<b>% of All:</b>	<b>72.1%</b>

Rental				
Rent Level	Income Range	# of Households	% of Total	Cumulative
\$0 - \$310	Less than \$15,000	213	15.4%	15.4%
\$310 - \$520	\$15,000 - \$24,999	230	16.7%	32.1%
\$520 - \$730	\$25,000 - \$34,999	179	13.0%	45.1%
\$730 - \$930	\$35,000 - \$49,999	204	14.8%	60.0%
\$930 - \$1320	\$50,000 - \$74,999	311	22.6%	82.6%
\$1320 - \$1670	\$75,000 - \$99,999	58	4.2%	86.8%
\$1670 - \$2080	\$100,000 - \$124,999	75	5.4%	92.2%
\$2080 - \$2500	\$125,000 - \$149,999	43	3.1%	95.3%
\$2500 - \$3330	\$150,000 - \$199,999	52	3.8%	99.1%
\$3330 +	\$200,000+	13	0.9%	100.0%
<b>Totals:</b>		<b>1,378</b>	<b>% of All:</b>	<b>27.9%</b>

<b>All Units</b>
<b>4,938</b>

Sources: Environics Analytics, Census, JOHNSON ECONOMICS

It is projected that the homeownership rate in the county will decrease slightly over the next 20 years from 74% to 72%, which remains higher than the current statewide average (61%). This is because the forecasted demographic trends of age and income of future households point to a somewhat growing share of households inclined to rent over the 20 year period.

**COMPARISON OF FUTURE HOUSING DEMAND TO CURRENT HOUSING INVENTORY**

The profile of occupied future housing demand presented above (Figure 5.2) was compared to the current housing inventory presented in the previous section to determine the total future need for *new* housing units by type and price range (Figure 3.3). *This estimate includes a vacancy assumption.* As reflected by the most recent Census data, and as is common in most communities, the vacancy rate for rental units is typically higher than that for ownership units (7% vs. 3% in 2010).

**FIGURE 4.3: PROJECTED FUTURE NEED FOR NEW HOUSING UNITS (2039), MORROW COUNTY**

OWNER HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	184	1	1	0	0	93	0	<b>279</b>	<b>48%</b>
<b>Percentage:</b>	66.1%	0.3%	0.4%	0.0%	0.0%	33.2%	0.0%	100.0%	

RENTAL HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	131	7	29	11	33	89	0	<b>299</b>	<b>52%</b>
<b>Percentage:</b>	43.8%	2.3%	9.7%	3.6%	10.9%	29.7%	0.0%	100.0%	

TOTAL HOUSING UNITS									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	315	8	30	11	33	181	0	<b>577</b>	<b>100%</b>
<b>Percentage:</b>	54.6%	1.3%	5.2%	1.9%	5.6%	31.4%	0.0%	100.0%	

Source: Johnson Economics

**Needed Unit Types**

- The results show a need for nearly 600 net new housing units by 2039.
- Of the new units needed, roughly 48% are projected to be ownership units, while 52% are projected to be rental units.
- 55% of the new units are projected to be single family detached homes, while 14% is projected to be some form of attached housing, and 31% are projected to be mobile homes.
- Of ownership units, 66% are projected to be single-family homes, and 33% mobile homes.
- An estimated 26% of new rental units are projected to be found in new attached buildings, with 11% projected in rental properties of 5 or more units, and 10% in duplexes.
- Mobile homes are projected to remain an important share of Morrow County's affordable housing base.



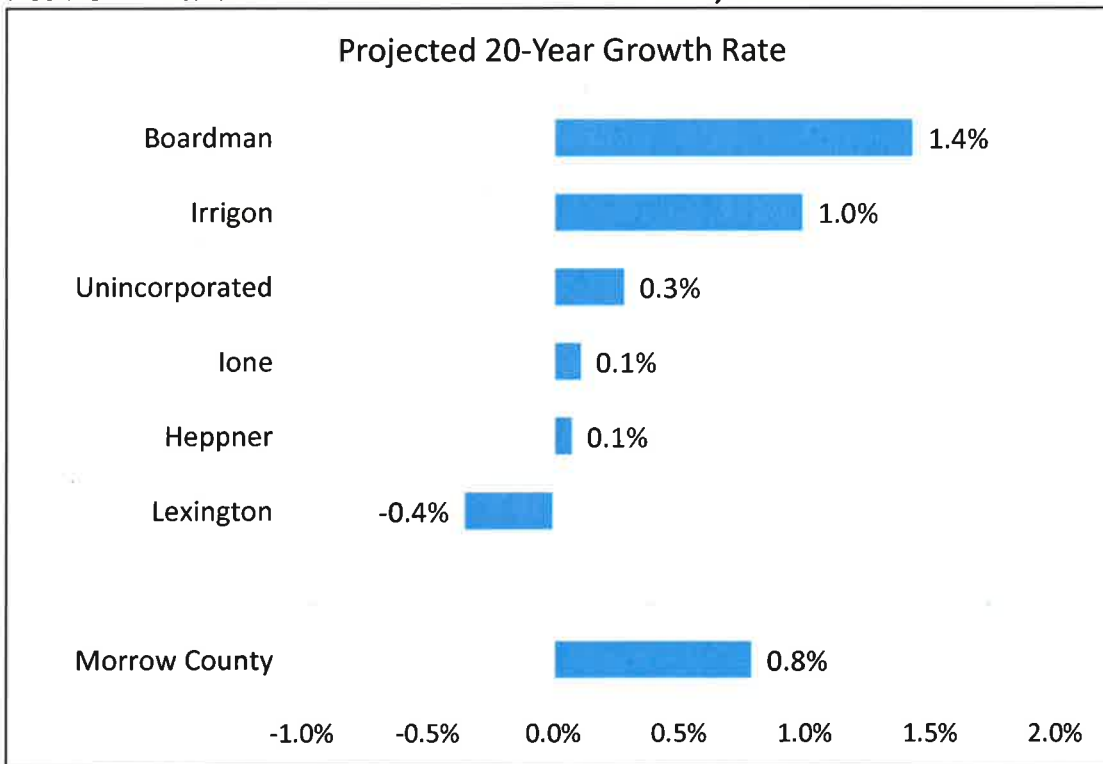
## V. FUTURE HOUSING NEEDS - 2039 (CITIES)

This section presents some preliminary housing forecasts for the participating Morrow County cities. The methodology used for this analysis parallels that presented in the previous sections regarding the countywide analysis.

Figure 5.1 shows the local projected growth rate for the Morrow County communities from the PSU Population Forecast Program. Boardman and Irrigon have projected growth rates of near or higher than the statewide growth rate (roughly 1.0%).

Lexington has a negative projected growth rate, while lone and Heppner have very low growth projected. The impact is that under the methodology used to generate these preliminary housing needs forecasts, these three communities are projected to need only a modest amount of additional housing.

**FIGURE 5.1: PROJECTED POPULATION GROWTH RATE 2018-2039, MORROW COUNTY CITIES**



Source: PSU Population Research Center, Forecast Program

Figure 5.2 shows the projected future housing need in 2039, and the number of new housing units needed to accommodate that 20-year need. Boardman and Irrigon are projected to need the most new housing, with smaller communities projected to need less.

Based on the PSU projections, unincorporated areas are anticipated to lose some households as existing areas are annexed to urbanized areas over time. However, in reality there is likely to be some continued growth in rural areas, including in some existing unincorporated rural communities.

**FIGURE 5.2: PROJECTED FUTURE HOUSING NEED (2039), MORROW COUNTY CITIES**

	<b>2018 Hsg. Inventory</b>	<b>2039 Hsg. Need</b>	<b>NEW Units Needed</b>	<b>20-Year Growth</b>
Boardman	1,247	1,788	542	43%
Heppner	607	629	29	5%
Ione	154	155	13	9%
Irrigon	792	945	153	19%
Lexington	101	92	17	16%
Unincorp.	1,717	1,585	-177	-10%
<b>Morrow Co.</b>	<b>4,617</b>	<b>5,195</b>	<b>577</b>	<b>13%</b>

Source: PSU Population Research Center, Johnson Economics

\* \* \*

The following pages present a summary of findings for each of the Morrow County Cities.

## A. Boardman Housing Profile

FIGURE A.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF BOARDMAN)

<b>POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(PSU)</b>	<b>10-18</b>
Population <sup>1</sup>	3,169	3,574	13%	4,096	15%
Households <sup>2</sup>	948	1,068	13%	1,285	20%
Families <sup>3</sup>	763	841	10%	919	9%
Housing Units <sup>4</sup>	1,051	1,129	7%	1,247	10%
Group Quarters Population <sup>5</sup>	13	8	-38%	9	15%
<i>Household Size (non-group)</i>	<i>3.33</i>	<i>3.34</i>	<i>0%</i>	<i>3.18</i>	<i>-5%</i>
<i>Avg. Family Size</i>	<i>3.66</i>	<i>3.70</i>	<i>1%</i>	<i>3.74</i>	<i>1%</i>
<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(Proj.)</b>	<b>10-18</b>
Per Capita (\$)	\$12,297	\$16,004	30%	\$18,388	15%
Median HH (\$)	\$32,105	\$42,957	34%	\$52,348	22%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

FIGURE A.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF BOARDMAN)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$70k	63	162	100	\$0 - \$310	50	30	(20)
\$15,000 - \$24,999	\$70k - \$110k	47	107	60	\$310 - \$520	87	103	16
\$25,000 - \$34,999	\$110k - \$160k	85	313	228	\$520 - \$730	58	140	82
\$35,000 - \$49,999	\$160k - \$200k	143	114	(29)	\$730 - \$930	42	176	134
\$50,000 - \$74,999	\$200k - \$280k	224	28	(196)	\$930 - \$1320	85	40	(45)
\$75,000 - \$99,999	\$280k - \$360k	136	0	(136)	\$1320 - \$1670	24	17	(7)
\$100,000 - \$124,999	\$360k - \$440k	58	0	(58)	\$1670 - \$2080	41	0	(41)
\$125,000 - \$149,999	\$440k - \$530k	48	0	(48)	\$2080 - \$2500	26	4	(22)
\$150,000 - \$199,999	\$530k - \$710k	25	0	(25)	\$2500 - \$3330	29	0	(29)
\$200,000+	\$710k +	7	12	5	\$3330 +	8	0	(8)
	<b>Totals:</b>	<b>835</b>	<b>737</b>	<b>(99)</b>	<b>Totals:</b>	<b>450</b>	<b>510</b>	<b>60</b>

<b>Occupied Units:</b>	<b>1,285</b>
<b>All Housing Units:</b>	<b>1,247</b>
<b>Total Unit Surplus:</b>	<b>(39)</b>

Source: EnviroNics, Census, Johnson Economics

**FIGURE A.3: FUTURE DEMOGRAPHIC PROFILE, 2039 (CITY OF BOARDMAN)**

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2039)			SOURCE
2018 Population (Minus Group Pop.)	4,087		2010 Census, PSU
Projected Annual Growth Rate	1.34%	OR Population Forecast Program	PSU
2039 Population (Minus Group Pop.)	5,406	(Total 2039 Population - Group Housing Pop.)	
Estimated group housing population:	12	Share of total pop from 2010 Census	US Census
<b>Total Estimated 2039 Population:</b>	<b>5,418</b>	(PSU forecast)	PSU
<b>Estimated Non-Group 2039 Households:</b>	<b>1,700</b>	(2039 Non-Group Pop./Avg. Household Size)	
New Households 2018 to 2039	415		
Avg. Household Size:	3.18	Projected household size	US Census
<b>Total Housing Units:</b>	<b>1,788</b>	Occupied Units plus Vacant	
Occupied Housing Units:	1,700	(= Number of Non-Group Households)	
Vacant Housing Units:	88		
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)	

Source: PSU Population Research Center, Census, Johnson Economics

**FIGURE A.4: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2039 (CITY OF BOARDMAN)**

OWNER HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	806	13	18	0	0	297	0	<b>1,134</b>
<b>Percentage:</b>	71.1%	1.1%	1.6%	0.0%	0.0%	26.2%	0.0%	100.0%

RENTAL HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	142	17	134	41	96	225	0	<b>654</b>
<b>Percentage:</b>	21.7%	2.5%	20.5%	6.3%	14.6%	34.3%	0.0%	100.0%

TOTAL HOUSING UNITS								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	948	29	152	41	96	522	0	<b>1,788</b>
<b>Percentage:</b>	53.0%	1.6%	8.5%	2.3%	5.4%	29.2%	0.0%	100.0%

Source: PSU, US Census, Environics market data, Johnson Economics

**FIGURE A.5: NET NEW HOUSING DEMAND, 2039 (CITY OF BOARDMAN)**

OWNER HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	283	4	6	0	0	104	0	<b>398</b>	<b>73%</b>
<b>Percentage:</b>	71.1%	1.1%	1.6%	0.0%	0.0%	26.2%	0.0%	100.0%	

RENTAL HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	31	4	29	9	21	49	0	<b>144</b>	<b>27%</b>
<b>Percentage:</b>	21.7%	2.5%	20.5%	6.3%	14.6%	34.3%	0.0%	100.0%	

TOTAL HOUSING UNITS									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	314	8	36	9	21	154	0	<b>542</b>	<b>100%</b>
<b>Percentage:</b>	58.0%	1.5%	6.6%	1.7%	3.9%	28.4%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

## B. Heppner Housing Profile

FIGURE B.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF HEPPNER)

<b>POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(PSU)</b>	<b>10-18</b>
Population <sup>1</sup>	1,411	1,306	-7%	1,310	0%
Households <sup>2</sup>	589	566	-4%	583	3%
Families <sup>3</sup>	402	375	-7%	412	10%
Housing Units <sup>4</sup>	660	647	-2%	607	-6%
Group Quarters Population <sup>5</sup>	21	4	-81%	4	0%
<i>Household Size (non-group)</i>	<i>2.36</i>	<i>2.30</i>	<i>-3%</i>	<i>2.24</i>	<i>-3%</i>
<i>Avg. Family Size</i>	<i>2.88</i>	<i>2.78</i>	<i>-3%</i>	<i>2.53</i>	<i>-9%</i>
<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(Proj.)</b>	<b>10-18</b>
Per Capita (\$)	\$16,729	\$21,124	26%	\$25,231	19%
Median HH (\$)	\$33,421	\$32,833	-2%	\$50,000	52%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

FIGURE B.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF HEPPNER)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$70k	21	75	54	\$0 - \$310	30	3	(27)
\$15,000 - \$24,999	\$70k - \$110k	16	128	112	\$310 - \$520	45	66	21
\$25,000 - \$34,999	\$110k - \$160k	52	113	61	\$520 - \$730	13	62	49
\$35,000 - \$49,999	\$160k - \$200k	62	62	(1)	\$730 - \$930	21	44	23
\$50,000 - \$74,999	\$200k - \$280k	96	20	(76)	\$930 - \$1320	44	25	(20)
\$75,000 - \$99,999	\$280k - \$360k	47	11	(36)	\$1320 - \$1670	25	0	(25)
\$100,000 - \$124,999	\$360k - \$440k	32	0	(32)	\$1670 - \$2080	13	0	(13)
\$125,000 - \$149,999	\$440k - \$530k	27	0	(27)	\$2080 - \$2500	7	0	(7)
\$150,000 - \$199,999	\$530k - \$710k	21	0	(21)	\$2500 - \$3330	4	0	(4)
\$200,000+	\$710k +	6	0	(6)	\$3330 +	1	0	(1)
	<b>Totals:</b>	<b>380</b>	<b>408</b>	<b>27</b>	<b>Totals:</b>	<b>203</b>	<b>199</b>	<b>(3)</b>

Occupied Units:	583
All Housing Units:	607
Total Unit Surplus:	24

Source: EnviroNics, Census, Johnson Economics

**FIGURE B.3: FUTURE DEMOGRAPHIC PROFILE, 2039 (CITY OF HEPPNER)**

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2039)			SOURCE
2018 Population (Minus Group Pop.)	1,306		2010 Census, PSU
Projected Annual Growth Rate	0.12%	OR Population Forecast Program	PSU
2039 Population (Minus Group Pop.)	1,338	(Total 2039 Population - Group Housing Pop.)	
<u>Estimated group housing population:</u>	<u>4</u>	Share of total pop from 2010 Census	US Census
<b>Total Estimated 2039 Population:</b>	<b>1,343</b>	(PSU forecast)	PSU
<b>Estimated Non-Group 2039 Households:</b>	<b>597</b>	(2039 Non-Group Pop./Avg. Household Size)	
New Households 2018 to 2039	15		
Avg. Household Size:	2.24	Projected household size	US Census
<b>Total Housing Units:</b>	<b>629</b>	Occupied Units plus Vacant	
Occupied Housing Units:	597	(= Number of Non-Group Households)	
Vacant Housing Units:	31		
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)	

Source: PSU Population Research Center, Census, Johnson Economics

**FIGURE B.4: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2039 (CITY OF HEPPNER)**

OWNER HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	379	0	0	0	0	22	0	<b>400</b>
<b>Percentage:</b>	94.6%	0.0%	0.0%	0.0%	0.0%	5.4%	0.0%	100.0%

RENTAL HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	119	4	10	4	63	28	0	<b>228</b>
<b>Percentage:</b>	52.3%	1.7%	4.6%	1.7%	27.6%	12.1%	0.0%	100.0%

TOTAL HOUSING UNITS								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	498	4	10	4	63	49	0	<b>629</b>
<b>Percentage:</b>	79.2%	0.6%	1.7%	0.6%	10.0%	7.9%	0.0%	100.0%

Source: PSU, US Census, Environics market data, Johnson Economics

**FIGURE B.5: NET NEW HOUSING DEMAND, 2039 (CITY OF HEPPNER)**

OWNER HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	0	0	0	0	0	0	0	<b>0</b>	<b>0%</b>
<b>Percentage:</b>	94.6%	0.0%	0.0%	0.0%	0.0%	5.4%	0.0%	0.0%	

RENTAL HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	15	0	1	0	8	3	0	<b>29</b>	<b>100%</b>
<b>Percentage:</b>	52.3%	1.7%	4.6%	1.7%	27.6%	12.1%	0.0%	100.0%	

TOTAL HOUSING UNITS									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	15	0	1	0	8	3	0	<b>29</b>	<b>100%</b>
<b>Percentage:</b>	52.3%	1.7%	4.6%	1.7%	27.6%	12.1%	0.0%	100.0%	

Source: PSU, US Census, EnviroNics market data, Johnson Economics



## C. Ione Housing Profile

FIGURE C.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF IONE)

<b>POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(PSU)</b>	<b>10-18</b>
Population <sup>1</sup>	329	337	2%	338	0%
Households <sup>2</sup>	130	135	4%	144	7%
Families <sup>3</sup>	89	92	4%	82	-11%
Housing Units <sup>4</sup>	142	154	8%	154	0%
Group Quarters Population <sup>5</sup>	0	0	0%	0	0%
<i>Household Size (non-group)</i>	<i>2.53</i>	<i>2.49</i>	<i>-2%</i>	<i>2.34</i>	<i>-6%</i>
<i>Avg. Family Size</i>	<i>3.09</i>	<i>3.03</i>	<i>-2%</i>	<i>2.95</i>	<i>-3%</i>
<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(Proj.)</b>	<b>10-18</b>
Per Capita (\$)	\$14,531	\$28,164	94%	\$26,954	-4%
Median HH (\$)	\$37,500	\$56,250	50%	\$51,786	-8%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

FIGURE C.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF IONE)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$70k	7	22	15	\$0 - \$310	6	0	(6)
\$15,000 - \$24,999	\$70k - \$110k	8	16	8	\$310 - \$520	7	2	(4)
\$25,000 - \$34,999	\$110k - \$160k	11	50	39	\$520 - \$730	5	10	5
\$35,000 - \$49,999	\$160k - \$200k	15	15	1	\$730 - \$930	6	17	11
\$50,000 - \$74,999	\$200k - \$280k	26	5	(20)	\$930 - \$1320	9	2	(7)
\$75,000 - \$99,999	\$280k - \$360k	16	5	(11)	\$1320 - \$1670	2	0	(2)
\$100,000 - \$124,999	\$360k - \$440k	9	3	(6)	\$1670 - \$2080	2	0	(2)
\$125,000 - \$149,999	\$440k - \$530k	7	1	(6)	\$2080 - \$2500	1	0	(1)
\$150,000 - \$199,999	\$530k - \$710k	5	4	(1)	\$2500 - \$3330	1	0	(1)
\$200,000+	\$710k +	1	1	(1)	\$3330 +	0	0	(0)
	<b>Totals:</b>	<b>105</b>	<b>123</b>	<b>17</b>	<b>Totals:</b>	<b>39</b>	<b>31</b>	<b>(8)</b>

<b>Occupied Units:</b>	<b>144</b>
<b>All Housing Units:</b>	<b>154</b>
<b>Total Unit Surplus:</b>	<b>10</b>

Source: Envirionics, Census, Johnson Economics

**FIGURE C.3: FUTURE DEMOGRAPHIC PROFILE, 2039 (CITY OF IONE)**

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2039)		SOURCE
2018 Population (Minus Group Pop.)	338	2010 Census, PSU
Projected Annual Growth Rate	0.11%	OR Population Forecast Program PSU
2039 Population (Minus Group Pop.)	346	(Total 2039 Population - Group Housing Pop.)
Estimated group housing population:	0	Share of total pop from 2010 Census US Census
<b>Total Estimated 2039 Population:</b>	<b>346</b>	(PSU forecast) PSU
<b>Estimated Non-Group 2039 Households:</b>	<b>148</b>	(2039 Non-Group Pop./Avg. Household Size)
New Households 2018 to 2039	3	
Avg. Household Size:	2.34	Projected household size US Census
<b>Total Housing Units:</b>	<b>155</b>	Occupied Units plus Vacant
Occupied Housing Units:	148	(= Number of Non-Group Households)
Vacant Housing Units:	8	
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)

Source: PSU Population Research Center, Census, Johnson Economics

**FIGURE C.4: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2039 (CITY OF IONE)**

OWNER HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	88	0	0	0	0	20	3	<b>111</b>
<b>Percentage:</b>	79.5%	0.0%	0.0%	0.0%	0.0%	17.9%	2.5%	100.0%

RENTAL HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	30	0	0	0	0	14	0	<b>45</b>
<b>Percentage:</b>	67.7%	0.0%	0.0%	0.0%	0.0%	32.3%	0.0%	100.0%

TOTAL HOUSING UNITS								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	118	0	0	0	0	34	3	<b>155</b>
<b>Percentage:</b>	76.2%	0.0%	0.0%	0.0%	0.0%	22.0%	1.8%	100.0%

Source: PSU, US Census, Environics market data, Johnson Economics

**FIGURE C.5: NET NEW HOUSING DEMAND, 2039 (CITY OF IONE)**

OWNER HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	0	0	0	0	0	0	0	0	0%
<b>Percentage:</b>	79.5%	0.0%	0.0%	0.0%	0.0%	20.5%	0.0%	0.0%	

RENTAL HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	9	0	0	0	0	4	0	13	100%
<b>Percentage:</b>	67.7%	0.0%	0.0%	0.0%	0.0%	32.3%	0.0%	100.0%	

TOTAL HOUSING UNITS									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	9	0	0	0	0	4	0	13	100%
<b>Percentage:</b>	67.7%	0.0%	0.0%	0.0%	0.0%	32.3%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

## D. Irrigon Housing Profile

FIGURE D.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF IRRIGON)

<b>POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(PSU)</b>	<b>10-18</b>
Population <sup>1</sup>	2,000	2,146	7%	2,338	9%
Households <sup>2</sup>	664	708	7%	759	7%
Families <sup>3</sup>	520	545	5%	613	12%
Housing Units <sup>4</sup>	716	752	5%	792	5%
Group Quarters Population <sup>5</sup>	0	0	0%	0	0%
<i>Household Size (non-group)</i>	<i>3.01</i>	<i>3.03</i>	<i>1%</i>	<i>3.08</i>	<i>2%</i>
<i>Avg. Family Size</i>	<i>3.33</i>	<i>3.43</i>	<i>3%</i>	<i>3.37</i>	<i>-2%</i>
<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	<b>2000</b>	<b>2010</b>	<b>Growth</b>	<b>2018</b>	<b>Growth</b>
	<b>(Census)</b>	<b>(Census)</b>	<b>00-10</b>	<b>(Proj.)</b>	<b>10-18</b>
Per Capita (\$)	\$14,600	\$18,582	27%	\$18,447	-1%
Median HH (\$)	\$35,799	\$52,981	48%	\$52,500	-1%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

FIGURE D.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF IRRIGON)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$70k	45	105	60	\$0 - \$310	22	0	(22)
\$15,000 - \$24,999	\$70k - \$110k	62	160	98	\$310 - \$520	17	16	(1)
\$25,000 - \$34,999	\$110k - \$160k	67	253	187	\$520 - \$730	18	64	46
\$35,000 - \$49,999	\$160k - \$200k	68	36	(32)	\$730 - \$930	42	46	4
\$50,000 - \$74,999	\$200k - \$280k	126	21	(105)	\$930 - \$1320	56	51	(4)
\$75,000 - \$99,999	\$280k - \$360k	88	8	(81)	\$1320 - \$1670	6	3	(3)
\$100,000 - \$124,999	\$360k - \$440k	58	5	(54)	\$1670 - \$2080	0	9	9
\$125,000 - \$149,999	\$440k - \$530k	44	4	(40)	\$2080 - \$2500	0	0	0
\$150,000 - \$199,999	\$530k - \$710k	32	0	(32)	\$2500 - \$3330	0	0	0
\$200,000+	\$710k +	9	11	2	\$3330 +	0	0	0
	<b>Totals:</b>	<b>599</b>	<b>602</b>	<b>3</b>	<b>Totals:</b>	<b>160</b>	<b>190</b>	<b>30</b>

Occupied Units:	759
All Housing Units:	792
Total Unit Surplus:	33

Source: Envirionics, Census, Johnson Economics

**FIGURE D.3: FUTURE DEMOGRAPHIC PROFILE, 2039 (CITY OF IRRIGON)**

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2039)		SOURCE
2018 Population (Minus Group Pop.)	2,338	2010 Census, PSU
Projected Annual Growth Rate	0.81%	OR Population Forecast Program PSU
2039 Population (Minus Group Pop.)	2,768	(Total 2039 Population - Group Housing Pop.)
Estimated group housing population:	0	Share of total pop from 2010 Census US Census
<b>Total Estimated 2039 Population:</b>	<b>2,768</b>	(PSU forecast) PSU
<b>Estimated Non-Group 2039 Households:</b>	<b>899</b>	(2039 Non-Group Pop./Avg. Household Size)
New Households 2018 to 2039	140	
Avg. Household Size:	3.08	Projected household size US Census
<b>Total Housing Units:</b>	<b>945</b>	Occupied Units plus Vacant
Occupied Housing Units:	899	(= Number of Non-Group Households)
Vacant Housing Units:	47	
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)

Source: PSU Population Research Center, Census, Johnson Economics

**FIGURE D.4: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2039 (CITY OF IRRIGON)**

OWNER HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	405	0	0	0	0	329	0	<b>733</b>
<b>Percentage:</b>	55.2%	0.0%	0.0%	0.0%	0.0%	44.8%	0.0%	100.0%

RENTAL HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	106	14	19	13	0	59	0	<b>212</b>
<b>Percentage:</b>	50.0%	6.8%	9.1%	6.3%	0.0%	27.8%	0.0%	100.0%

TOTAL HOUSING UNITS								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	511	14	19	13	0	388	0	<b>945</b>
<b>Percentage:</b>	54.0%	1.5%	2.0%	1.4%	0.0%	41.0%	0.0%	100.0%

Source: PSU, US Census, Environics market data, Johnson Economics

**FIGURE D.5: NET NEW HOUSING DEMAND, 2039 (CITY OF IRRIGON)**

<b>OWNER HOUSING</b>									
<b>UNITS:</b>	<b>Single Fam. Detached</b>	<b>Single Fam. Attached*</b>	<b>Multi-Family</b>			<b>Mobile home</b>	<b>Boat, RV, other temp</b>	<b>Total Units</b>	<b>% of All Units</b>
			<b>2-unit</b>	<b>3- or 4-plex</b>	<b>5+ Units MFR</b>				
<b>Totals:</b>	72	0	0	0	0	59	0	<b>131</b>	<b>85%</b>
<b>Percentage:</b>	55.2%	0.0%	0.0%	0.0%	0.0%	44.8%	0.0%	100.0%	

<b>RENTAL HOUSING</b>									
<b>UNITS:</b>	<b>Single Fam. Detached</b>	<b>Single Fam. Attached*</b>	<b>Multi-Family</b>			<b>Mobile home</b>	<b>Boat, RV, other temp</b>	<b>Total Units</b>	<b>% of All Units</b>
			<b>2-unit</b>	<b>3- or 4-plex</b>	<b>5+ Units MFR</b>				
<b>Totals:</b>	11	2	2	1	0	6	0	<b>22</b>	<b>15%</b>
<b>Percentage:</b>	50.0%	6.8%	9.1%	6.3%	0.0%	27.8%	0.0%	100.0%	

<b>TOTAL HOUSING UNITS</b>									
<b>UNITS:</b>	<b>Single Fam. Detached</b>	<b>Single Fam. Attached*</b>	<b>Multi-Family</b>			<b>Mobile home</b>	<b>Boat, RV, other temp</b>	<b>Total Units</b>	<b>% of All Units</b>
			<b>2-unit</b>	<b>3- or 4-plex</b>	<b>5+ Units MFR</b>				
<b>Totals:</b>	84	2	2	1	0	65	0	<b>153</b>	<b>100%</b>
<b>Percentage:</b>	54.4%	1.0%	1.3%	0.9%	0.0%	42.4%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

## E. Lexington Housing Profile

FIGURE E.1: DEMOGRAPHIC PROFILE AND TRENDS (CITY OF LEXINGTON)

<b>POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS</b>					
	2000 (Census)	2010 (Census)	Growth 00-10	2018 (PSU)	Growth 10-18
Population <sup>1</sup>	263	238	-10%	265	11%
Households <sup>2</sup>	102	94	-8%	101	7%
Families <sup>3</sup>	72	70	-3%	67	-4%
Housing Units <sup>4</sup>	111	101	-9%	101	0%
Group Quarters Population <sup>5</sup>	0	0	0%	0	0%
<i>Household Size (non-group)</i>	<i>2.58</i>	<i>2.53</i>	<i>-2%</i>	<i>2.63</i>	<i>4%</i>
<i>Avg. Family Size</i>	<i>3.03</i>	<i>2.86</i>	<i>-6%</i>	<i>3.31</i>	<i>16%</i>
<b>PER CAPITA AND MEDIAN HOUSEHOLD INCOME</b>					
	2000 (Census)	2010 (Census)	Growth 00-10	2018 (Proj.)	Growth 10-18
Per Capita (\$)	\$15,802	\$21,005	33%	\$21,743	4%
Median HH (\$)	\$37,521	\$48,457	29%	\$54,386	12%

SOURCE: Census, PSU Population Research Center, and Johnson Economics

FIGURE E.2: COMPARISON OF CURRENT HOUSING NEED AND SUPPLY (CITY OF LEXINGTON)

Income Level	Ownership				Rental			
	Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
Less than \$15,000	\$0k - \$70k	4	30	26	\$0 - \$310	5	0	(5)
\$15,000 - \$24,999	\$70k - \$110k	7	26	20	\$310 - \$520	4	0	(4)
\$25,000 - \$34,999	\$110k - \$160k	10	25	15	\$520 - \$730	2	3	2
\$35,000 - \$49,999	\$160k - \$200k	11	0	(11)	\$730 - \$930	3	0	(3)
\$50,000 - \$74,999	\$200k - \$280k	20	7	(12)	\$930 - \$1320	5	6	2
\$75,000 - \$99,999	\$280k - \$360k	11	2	(9)	\$1320 - \$1670	2	0	(2)
\$100,000 - \$124,999	\$360k - \$450k	6	1	(5)	\$1670 - \$2080	1	0	(1)
\$125,000 - \$149,999	\$450k - \$540k	5	0	(5)	\$2080 - \$2500	0	0	(0)
\$150,000 - \$199,999	\$540k - \$710k	0	0	0	\$2500 - \$3330	4	0	(4)
\$200,000+	\$710k +	0	0	0	\$3330 +	1	0	(1)
	<b>Totals:</b>	<b>74</b>	<b>91</b>	<b>18</b>	<b>Totals:</b>	<b>27</b>	<b>10</b>	<b>(18)</b>

Occupied Units:	101
All Housing Units:	101
Total Unit Surplus:	0

Source: Environics, Census, Johnson Economics

**FIGURE E.3: FUTURE DEMOGRAPHIC PROFILE, 2039 (CITY OF LEXINGTON)**

PROJECTED FUTURE HOUSING CONDITIONS (2018 - 2039)			SOURCE
2018 Population (Minus Group Pop.)	265		2010 Census, PSU
Projected Annual Growth Rate	-0.66%	OR Population Forecast Program	PSU
2039 Population (Minus Group Pop.)	231	(Total 2039 Population - Group Housing Pop.)	
Estimated group housing population:	0	Share of total pop from 2010 Census	US Census
<b>Total Estimated 2039 Population:</b>	<b>231</b>	(PSU forecast)	PSU
<b>Estimated Non-Group 2039 Households:</b>	<b>88</b>	(2039 Non-Group Pop./Avg. Household Size)	
New Households 2018 to 2039	-13		
Avg. Household Size:	2.63	Projected household size	US Census
<b>Total Housing Units:</b>	<b>92</b>	Occupied Units plus Vacant	
Occupied Housing Units:	88	(= Number of Non-Group Households)	
Vacant Housing Units:	5		
Projected Market Vacancy Rate:	5.0%	(Vacant Units/ Total Units)	

Source: PSU Population Research Center, Census, Johnson Economics

**FIGURE E.4: TOTAL HOUSING DEMAND, OCCUPIED AND VACANT, 2039 (CITY OF LEXINGTON)**

OWNER HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	51	0	0	0	0	15	0	<b>66</b>
<b>Percentage:</b>	77.0%	0.0%	0.0%	0.0%	0.0%	23.0%	0.0%	100.0%

RENTAL HOUSING								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	11	0	0	0	0	15	0	<b>26</b>
<b>Percentage:</b>	42.9%	0.0%	0.0%	0.0%	0.0%	57.1%	0.0%	100.0%

TOTAL HOUSING UNITS								
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units
			2-unit	3- or 4-plex	5+ Units MFR			
<b>Totals:</b>	62	0	0	0	0	30	0	<b>92</b>
<b>Percentage:</b>	67.3%	0.0%	0.0%	0.0%	0.0%	32.7%	0.0%	100.0%

Source: PSU, US Census, Environics market data, Johnson Economics



**FIGURE E.5: NET NEW HOUSING DEMAND, 2039 (CITY OF LEXINGTON)**

OWNER HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	0	0	0	0	0	0	0	<b>0</b>	<b>0%</b>
<b>Percentage:</b>	77.0%	0.0%	0.0%	0.0%	0.0%	23.0%	0.0%	0.0%	

RENTAL HOUSING									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	7	0	0	0	0	10	0	<b>17</b>	<b>100%</b>
<b>Percentage:</b>	42.9%	0.0%	0.0%	0.0%	0.0%	57.1%	0.0%	100.0%	

TOTAL HOUSING UNITS									
UNITS:	Single Fam. Detached	Single Fam. Attached*	Multi-Family			Mobile home	Boat, RV, other temp	Total Units	% of All Units
			2-unit	3- or 4-plex	5+ Units MFR				
<b>Totals:</b>	7	0	0	0	0	10	0	<b>17</b>	<b>100%</b>
<b>Percentage:</b>	42.9%	0.0%	0.0%	0.0%	0.0%	57.1%	0.0%	100.0%	

Source: PSU, US Census, Environics market data, Johnson Economics

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## **Appendix B: Buildable Land Inventory Memo**



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MEMORANDUM

## Morrow County Buildable Lands Inventory (BLI) (FINAL) Morrow County Housing Needs Analysis

DATE April 25, 2019  
TO Morrow County HNA PMT and TAC  
FROM Matt Hastie and Jamin Kimmell, Angelo Planning Group  
CC File

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The purpose of this memo is to summarize the methodology and results of a Geographic Information Systems (GIS)-based Buildable Land Inventory for the Morrow County Housing Needs Analysis (HNA). The results inform the strategies and approaches that may be effective and appropriate for increasing the supply or configuration of buildable residential land, which can lead to greater overall housing supply. The memo summarizes the methodology and key findings of the analysis, then presents the results in a series of tables and maps.

### METHODOLOGY

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#### Step 1 – Identify Environmental Constraints

In order to estimate lands that may be buildable for residential uses, it is necessary to remove any lands where development is constrained or not feasible due to environmental resources, hazards, or topography. GIS data on location of these constraints was obtained from multiple sources.

- **Floodplains:** All areas designated in the floodplain or floodway, based on the most recent version of FEMA floodplain maps released in December of 2007.
- **Wetlands:** All wetlands mapped by the U.S. Department of Fish and Wildlife for the National Wetland Inventory, except where a jurisdiction has adopted a local wetland inventory.
- **Steep Slopes:** Data from the National Elevation Dataset (NED) was used to estimate the amount of land that is unavailable for development due to slopes of over 25 percent. The amount of buildable land in each parcel was adjusted if it contains steep slopes.

These lands were combined and then overlaid with County taxlots to estimate the amount of land in each parcel where development is limited by these environmental constraints. These constrained areas were deducted from the total area of the parcel to estimate the portion of the parcel that is potentially buildable.

## Step 2 – Classify Parcels by Development Status

Each parcel in the county was classified based on the potential for new development on the parcel. This classification is intended to separate parcels that have capacity for development from those that do not. The classification is based on the amount of potentially buildable area on the parcel and the valuation of improvements (buildings, other structures). Improvement values are sourced from Morrow County Tax Assessor data. The following four categories were used to classify parcels:

- **Developed:** Parcels that have an improvement value of more than \$10,000, but do not meet the definition of Partially Vacant or Constrained.
- **Constrained:** Parcels with less than 5,000 square feet unconstrained land. These parcels are assumed to not be developable due to the small area on the lot that is potentially buildable.
- **Partially Vacant:** Parcels that meet the state definition as partially vacant under the “safe harbor” provisions for residential buildable land inventories.<sup>1</sup> These parcels are at least a half-acre in size and have an existing single-family dwelling. A quarter-acre was removed from the buildable area of these parcels to account for the existing dwelling. Parcels with an existing multi-family or nonresidential use were reviewed via aerial imagery to determine if they should be classified as Partially Vacant or Developed.
- **Vacant:** Parcels with more than 5,000 square feet of unconstrained land and improvement value less than \$10,000. These parcels have sufficient area for development and little to no improvements.
- **Difficult to Serve:** These parcels either meet the definition of Vacant or Partially Vacant; however, due to a variety of factors, may be difficult or infeasible to serve with adequate infrastructure to support urban development. These parcels were identified based on review by the Technical Advisory Committee. For the purposes of this analysis, these parcels are considered potentially buildable, but the lack of infrastructure and expense of providing infrastructure to these sites may present a major barrier to development.

The classification of each parcel was reviewed by jurisdictional staff and the Technical Advisory Committee and some parcels were re-classified if the parcel was currently under development or had developed recently but was not yet recorded in the assessor data. Other parcels were re-classified if there was a clear error in the assessor data or calculations that led to the initial classification.

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<sup>1</sup> OAR 660-024-0050, Land Inventory and Response to Deficiency

(2) As safe harbors, a local government, except a city with a population over 25,000 or a metropolitan service district described in ORS 197.015(13), may use the following assumptions to inventory the capacity of buildable lands to accommodate housing needs:

- (a) The infill potential of developed residential lots or parcels of one-half acre or more may be determined by subtracting one-quarter acre (10,890 square feet) for the existing dwelling and assuming that the remainder is buildable land;
- (b) Existing lots of less than one-half acre that are currently occupied by a residence may be assumed to be fully developed.

### Step 3 – Estimate Potentially Buildable Lands and Housing Unit Capacity

#### *Assign parcels to zones*

Lands were classified by zone type (residential, commercial, etc.) to estimate the amount of land that is potentially developable that is zoned for residential uses. To do this, all City and County zoning designations were classified into generalized zone types, and each parcel was assigned a zone and zone type. These zone types are Residential, Commercial, Industrial, Resource Lands (Farm and Forest), and Public Facilities. A list of all zones and their classification is provided in Appendix A. Where parcels span multiple zones, the parcel was assigned the zone that covers the centroid (center point) of the parcel.

#### *Estimate housing unit capacity based on zoning*

The final step of the BLI is to estimate the capacity for new housing units on each parcel. There are four steps in the calculation:

- **Unconstrained Acres:** The amount of land remaining in each parcel after deducting any constrained areas and, on Partially Vacant parcels, a quarter-acre general reduction for existing structures.
- **Net Buildable Acres:** The amount of unconstrained land in each parcel is reduced by 25% to account for land needed for public facilities (primarily streets) to support new development.
- **Projected Density:** For each residential zone, a projected density (units per net buildable acre) was identified based on the housing types that are permitted in the zone, minimum lot size standards, and maximum density standards. Parcels that span multiple zones (i.e., split zoned) were divided based on zone boundaries and housing unit capacity was calculated for each portion of the parcel. The projected density levels are presented in Table 4. These assumptions are generally consistent with the approach for the Simplified UGB Method.
- **Housing Unit Capacity:** The projected density is multiplied by the net buildable acres to estimate the housing unit capacity of each parcel. Finally, the housing unit capacity of each parcel was rounded down to a whole number to reflect the actual maximum allowable number of units that could be permitted.

Table 3 in the *Results* section of this memo breaks down this data by city, showing the number of unconstrained acres and the housing capacity in residential zones for each jurisdiction. Figure 1 graphically depicts the amount of vacant and partially vacant land available for areas that are unconstrained in each of the cities; Figure 2 shows the number of residential units (housing capacity) that can potentially be accommodated on vacant and partially vacant land in each city.

## KEY FINDINGS

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Key findings of this analysis are summarized below for each jurisdiction:

- **Morrow County.** The unincorporated areas of Morrow County have the greatest amount of buildable residential land among the jurisdictions in the County (about 3,500 acres). However, as most of this land is zoned for low-density, rural residential uses with a density of 1-2 units per net acre. Most of this land is not located in close proximity to the employment centers in the cities, which limits the potential demand for residential construction. Lands that are in close proximity to cities with good transportation access, yet outside UGBs and unable to be served with urban infrastructure, may be good candidates for continued rural housing development.
- **Boardman.** The City of Boardman has the greatest capacity for residential development based on this analysis. The City has approximately 518 acres of buildable residential land and an estimated capacity for approximately 2,056 housing units.
- **Irrigon.** The City of Irrigon has some capacity for residential development with approximately 196 acres of buildable land and zoned capacity for approximately 388 housing units. However, a large share of the buildable land is concentrated in several large parcels that are under farm use and may not be available for development in the short term. Additionally, a few large parcels are constrained or difficult to serve, limiting the housing unit capacity on these parcels.
- **Heppner.** A large share of the buildable land zoned for residential uses in Heppner is located in places that were classified as Difficult to Serve. Approximately 37% of the City's buildable lands are located in such areas, which are predominantly sites that are on hilltops or constrained by slopes. Street access to these sites is costly and difficult. A 2004 study identified that areas above an elevation of approximately 2,100 feet could not be served with water lines. The land within some of these parcels is above this elevation. Nearly all of the land area in the City's R3 zone, the only residential zone that allows for multi-family housing outright, is classified as Difficult to Serve. Thus, 84% of the estimated citywide housing unit capacity is located on Difficult to Serve parcels.
- **Ione.** Similar to Heppner, development is constrained in Ione by steep slopes and floodplains. A large share of the buildable land is located in areas classified Difficult to Serve. There are several potentially buildable parcels in a hilly subdivision in the northeast part of the City, however, the total capacity for residential development is limited by the slopes, transportation access, and availability of water infrastructure.
- **Lexington.** The Town of Lexington faces similar constraints at Ione and Heppner, and most of the capacity for residential units is found in parcels that are classified Difficult to Serve.

The results of this analysis are presented in Tables 1-4 and Figures 1-2 below.

## RESULTS

*Table 1. Summary of Potentially Buildable Lands, Residential Zones, Countywide*

Parcel Status	Total Parcels	Total Acres	Constrained Acres	Potentially Buildable Acres
Constrained	410	227	338	--
Developed	1,984	1,479	81	--
<i>Total Not Buildable</i>	<i>2,394</i>	<i>1,705</i>	<i>419</i>	<i>--</i>
Difficult to Serve	96	774	210	563
Partially Vacant	588	2,195	76	1,968
Vacant	675	2,113	81	2,032
<b>Total Potentially Buildable</b>	<b>1,359</b>	<b>5,082</b>	<b>368</b>	<b>4,563</b>

*Table 2. Summary of Potentially Buildable Lands, Commercial Zones, Countywide*

Parcel Status	Total Parcels	Total Acres	Constrained Acres	Potentially Buildable Acres
Constrained	135	37	34	--
Developed	217	149	2	--
<i>Total Not Buildable</i>	<i>352</i>	<i>186</i>	<i>36</i>	<i>--</i>
Difficult to Serve	--	--	--	--
Partially Vacant	19	125	0	120
Vacant	117	293	8	285
<b>Total Potentially Buildable</b>	<b>136</b>	<b>418</b>	<b>8</b>	<b>405</b>

*Table 3. Potentially Buildable Acres and Housing Unit Capacity by Jurisdiction, Residential Zones*

Jurisdiction	Potentially Buildable Acres			Housing Unit Capacity		
	Difficult to Serve	Partially Vacant	Vacant	Difficult to Serve	Partially Vacant	Vacant
Morrow County	267	1,867	1,321	454	782	660
Boardman	--	19	499		75	1,981
Heppner	204	36	24	715	90	38
Ione	34	2	20	24	6	16
Irrigon	34	24	138	32	16	340
Lexington	25	19	29	28	10	28
<b>Total</b>	<b>563</b>	<b>1,968</b>	<b>2,032</b>	<b>1,253</b>	<b>979</b>	<b>3,063</b>

Figure 1. Potentially Buildable Acres by Jurisdiction, Cities in Morrow County, Residential Zones

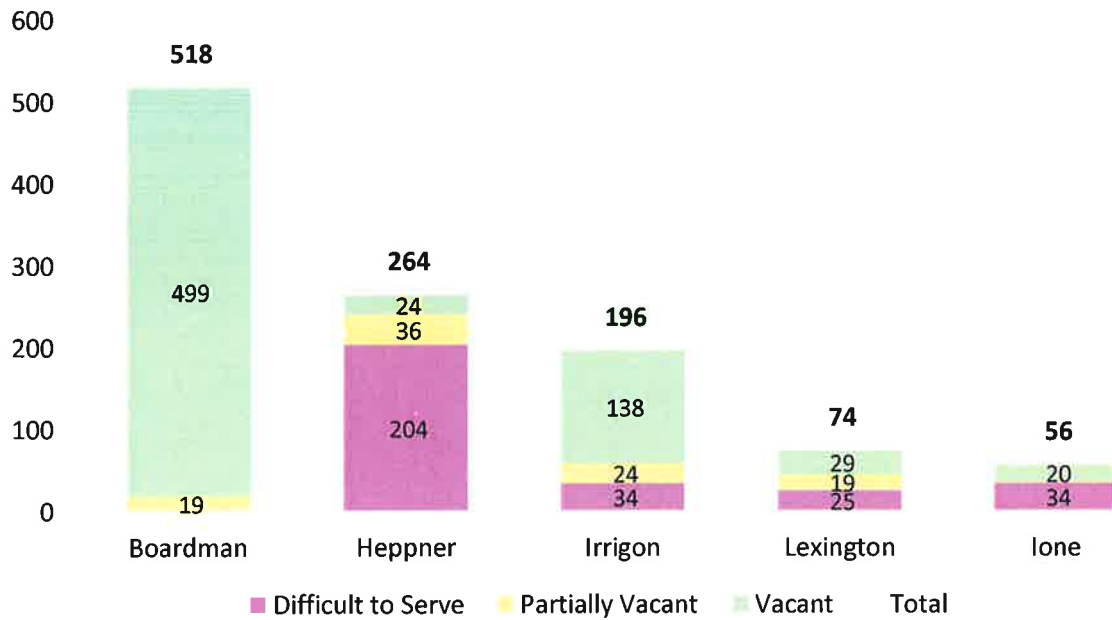


Figure 2. Housing Unit Capacity by Jurisdiction, Residential Zones

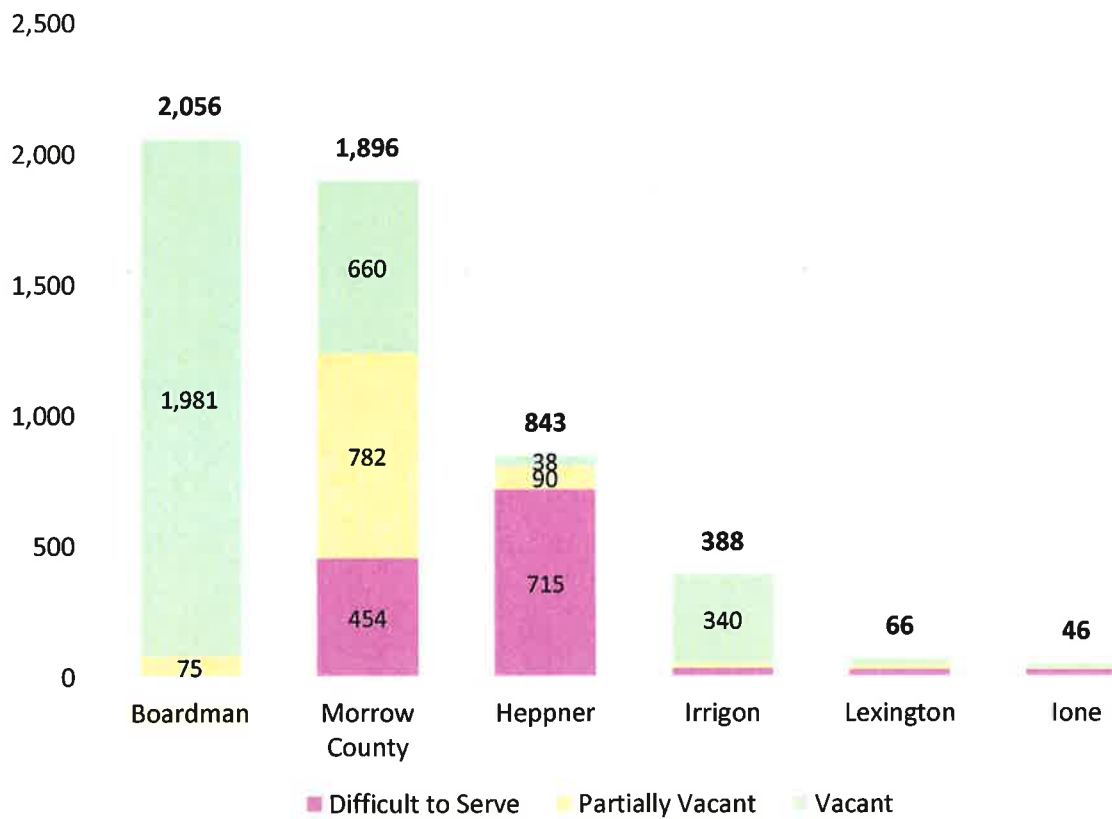




Table 4. Potentially Buildable Acres and Housing Unit Capacity by Zone, Residential Zones

Jurisdiction and Zone	Potentially Buildable Acres					Maximum Density Assumption	Housing Unit Capacity				
	Difficult to Serve	Partially Vacant	Vacant	Total	Share of Total		Difficult to Serve	Partially Vacant	Vacant	Total	Share of Total
<b>Boardman</b>											
R1 - Residential	--	7	417	425	82%	5 units/acre	--	22	1,544	1,566	76%
R2 - Res. Multi-Family SD	--	5	64	69	13%	8 units/acre	--	29	374	403	20%
R3 - Res. Mfg. Home Park SD	--	7	18	25	5%	5 units/acre	--	24	63	87	4%
<b>Subtotal</b>	--	<b>19</b>	<b>499</b>	<b>518</b>	--	--	--	<b>75</b>	<b>1,981</b>	<b>2,056</b>	--
<b>Heppner</b>											
R1 - Limited Residential	22	13	9	45	17%	4 units/acre	66	32	19	117	14%
R2 - General Residential	32	21	14	67	25%	4 units/acre	91	50	18	159	19%
R3 - Residential	149	3	1	153	58%	5 units/acre	558	8	1	567	67%
<b>Subtotal</b>	<b>204</b>	<b>36</b>	<b>24</b>	<b>264</b>	--	--	<b>715</b>	<b>90</b>	<b>38</b>	<b>843</b>	--
<b>Ione</b>											
R1 - Limited Residential	--	2	1	4	7%	4 units/acre	--	6	2	8	17%
R2 - General Residential	1	--	17	18	32%	4 units/acre	3	--	14	17	37%
R3 - Farm Residential	33	--	2	34	62%	1 unit/acre	21	--	0	21	46%
<b>Subtotal</b>	<b>34</b>	<b>2</b>	<b>20</b>	<b>56</b>	--	--	<b>24</b>	<b>6</b>	<b>16</b>	<b>46</b>	--
<b>Irrigon</b>											
R - Residential	34	24	138	196	100%	4 units/acre	32	16	340	388	100%
<b>Subtotal</b>	<b>34</b>	<b>24</b>	<b>138</b>	<b>196</b>	--	--	<b>32</b>	<b>16</b>	<b>340</b>	<b>388</b>	--
<b>Lexington</b>											
FR - Farm Residential	21	19	26	65	89%	1 unit/acre	13	8	16	37	56%
R - General Residential	4	1	4	8	11%	5 units/acre	15	2	12	29	44%
<b>Subtotal</b>	<b>25</b>	<b>19</b>	<b>29</b>	<b>74</b>	--	--	<b>28</b>	<b>10</b>	<b>28</b>	<b>66</b>	--
<b>Morrow County</b>											
FR2 - Farm Residential	--	776	476	1,252	36%	1 unit/acre	--	224	148	372	20%
RR - Rural Residential	--	815	639	1,454	42%	1 unit/acre	--	173	172	345	18%
SR - Suburban Residential	267	218	193	678	20%	2 units/acre	454	379	340	1,173	62%
SR2A - Suburban Residential	--	58	12	71	2%	1 unit/acre	--	6	0	6	0%
<b>Subtotal</b>	<b>267</b>	<b>1,867</b>	<b>1,321</b>	<b>3,454</b>	--	--	<b>454</b>	<b>782</b>	<b>660</b>	<b>1,896</b>	--

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# **Appendix C: Policy and Code Review Memo**



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MEMORANDUM

## Policy and Code Review Morrow County Housing Study

DATE December 11, 2018  
TO Morrow County Housing Study Technical Advisory Committee  
FROM Matt Hastie, and Jamin Kimmell, Angelo Planning Group  
CC Brendan Buckley and Jerry Johnson, Johnson Economics

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### OVERVIEW

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Angelo Planning Group (APG), in partnership with Johnson Economics, is assisting Morrow County with a Housing Study for Morrow County and five of its cities – Boardman, Irrigon, Lone, Lexington and Heppner. The goal of the study is to obtain information about the type, size, location and price of housing required to meet the current and future needs of county residents and to understand the market forces, planning and zoning regulations and local barriers that impact housing development in Morrow County.

As one of the first steps in the study, APG has reviewed the housing policies and zoning or development code standards associated with housing and residential development in the County and cities, including a review of each jurisdiction's Comprehensive Plan and development code. The remainder of this memo summarizes the results of that review. Subsequent memos will describe potential strategies for addressing any policy gaps or barriers represented by specific development code provisions.

### COMPREHENSIVE PLAN POLICIES

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APG reviewed each jurisdiction's Comprehensive Plan to assess whether it includes the following types of supportive policies:

- **Supports Statewide Planning Goal 10.** Comprehensive Plans typically do and should include a general policy that mirrors Statewide Planning Goal 10 (Housing), stating that the overall goal of the jurisdiction is to *“encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.”*

- **Emphasizes affordable housing needs.** Given that meeting the needs of low and moderate income households often requires public intervention or subsidy, it is important to include policies emphasizing the needs of these households.
- **Supports partnerships.** Most Comprehensive Plan housing elements include policies aimed at supporting other public agencies, non-profits and market rate developers who focus on meeting the needs of low and moderate income households and community members with special housing needs.
- **Encourage a variety of housing types.** In addition to a broad goal or policy about meeting a full range of housing needs, Plans often include policies noting the need for a variety of housing types, including single family attached housing, duplexes, triplexes, multi-family housing and townhomes, as well as less traditional forms of housing such as cottage cluster housing and accessory dwelling units.
- **Affirms Fair Housing goals.** Local governments are required to ensure that their housing policies and standards do not discriminate against or have adverse effects on the ability of “protected classes” to obtain housing, consistent with the federal Fair Housing Act.
- **Support for mixed use development.** Some Plans explicitly support the development of mixed use projects, which typically include upper story housing located above retail or commercial uses.
- **Support for accessory dwelling units.** Comprehensive Plans may include policies specifically referencing support for this form of housing. Recent Oregon legislation requires all cities below a certain size to allow for this form of housing outright in all zones where single-family detached housing is allowed.
- **Support flexible zoning.** Some Plans include policies which emphasize the need for zoning to be flexible enough to meet a variety of housing needs and keep costs for such housing down, particularly for housing affordable to low and moderate income households.
- **Address land supply goals.** Many Comprehensive Plans include policies which reference the need to ensure that adequate land is zoned to meet identified housing needs, and to periodically update the jurisdiction’s inventory of such lands.
- **Support development of manufactured homes.** Oregon law requires that all zones that allow for “stick built” single family detached homes also allow for manufactured homes on individual lots. Each jurisdiction must also allow for manufactured home parks in at least one residential zone.

Table 1 summarizes consistency of Morrow County jurisdictions with these policy objectives. As noted, several of the jurisdictions’ Plans include policies that address some of these issues, although gaps are present in most local Comprehensive Plans. Specifically, the following issues are not addressed in any of the jurisdictions:

- Fair Housing goals
- Accessory dwelling units
- Flexible approach to zoning
- Manufactured housing units

**Table 1. Comprehensive Plan Policy Review Summary**

<b><i>Policy Issue</i></b>	<b><i>Morrow County</i></b>	<b><i>Boardman</i></b>	<b><i>Heppner</i></b>	<b><i>lone</i></b>	<b><i>Irrigon</i></b>	<b><i>Lexington</i></b>
<b>Supports Goal 10</b>	Yes	Yes	Yes	Yes	Yes	Yes
<b>Emphasizes affordable housing</b>	Yes	Yes	No	Yes	Yes	No
<b>Supports partnerships</b>	Yes	Yes	No	Yes	Yes	No
<b>Encourages variety of housing types</b>	Yes	Yes	Yes	Yes	Yes	Yes
<b>Affirms Fair Housing goals</b>	No specific policy	No specific policy	No specific policy	No specific policy	No specific policy	No specific policy
<b>Supports mixed use development</b>	No specific policy	Yes	No	No	No	No
<b>References ADUs</b>	No	No	No	No	No	No
<b>Supports flexible zoning</b>	No specific policy	Yes	No	No	No	No
<b>Addresses land supply goals</b>	Yes	Yes	No	Yes	No	No
<b>Supports manufactured homes</b>	No specific policy	No specific policy	No specific policy	No specific policy	No specific policy	No specific policy

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## ZONING AND DEVELOPMENT CODE STANDARDS

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In addition to reviewing Comprehensive Plan policies, APG reviewed the zoning ordinance or development code for each jurisdiction and has summarized information about the following type of standards. Summary observations include:

- **Residential zones.** All jurisdictions include a range of zones, with most providing for low, medium and high-density zones, and others providing a greater variety of zones. Most of the County's residential zones are applied to areas within unincorporated communities.
- **Housing types allowed.** All jurisdictions allow for a range of housing types. The mix of housing types allowed within the range of zones varies, as does the application of conditional use requirements to specific types of housing.
- **Manufactured homes.** This type of housing is generally allowed on individual lots as required by state law. Manufactured home parks are allowed in at least one zone in each community as required by state law, although they are subject to conditional use requirements in one or all zones in each jurisdiction, with the exception of Boardman and Heppner.
- **Accessory dwelling units.** These are allowed only in Heppner.
- **Cottage Cluster Housing.** This form of housing is explicitly defined and allowed only in Heppner and possibly in Irrigon, although there are no specific standards for this type of housing in Irrigon.
- **Densities and minimum lot sizes.** These vary somewhat significantly across the communities, with relatively high minimum lot sizes required in most of the jurisdictions, and the density of development constrained significantly by municipal sewer and water capacity in Lone and Lexington.
- **Height standards.** These are relatively consistent across the jurisdictions, with a lower maximum height allowed in Lexington (25').
- **Off-street parking requirements.** All communities require two spaces for single-family detached dwellings. Heppner and Irrigon require fewer spaces for other housing types.
- **Residential design standards.** Most communities do not apply specific architectural design standards to most housing types.

Tables 2 and 3 summarize these requirements in more detail. Table 2 summarizes County requirements, while Table 3 describes requirements for the five cities. Subsequent reports will identify potential barriers associated with these standards and possible development code amendments to address the barriers.

**Table 2. Development Code Review Summary, Morrow County**

<b>Policy Issue</b>	<b>Rural Resid. (RR1)</b>	<b>Farm Resid.</b>	<b>Suburb. Resid. (SR)</b>	<b>Suburb. Resid. 2A</b>
<b>Housing Types Allowed</b>	SFD, MH, duplex (CU)	SFD, MH, duplex (CU)	SFD, duplex, MF, PUD, MHP (CU)	SFD, MF
<b>Densities/ Minimum lot sizes allowed</b>	2 acres	2 acres	SFD: 7,000 sf, 20,000 sf, or 1 acre <sup>1</sup> Duplex: 10,000 sf, 30,000 sf, or 1.5 acres <sup>1</sup> MF: 10,000 + 2,500 sf/unit - 1.5 acres + 7,500 sf/unit <sup>1</sup>	2 acres
<b>Manufactured home parks</b>	No	No	No	No
<b>ADU requirements</b>	Not allowed/no specific standards			
<b>Cottage cluster housing</b>	No specific requirements			
<b>Residential design standards</b>	Only for manufactured homes on individual lots and in parks			
<b>Off-street parking</b>	SF, duplex, triplex: 2 spaces/dwelling; 4 or more units: 1.5 spaces per unit			
<b>Building Heights</b>	30'	30'	35' or 2.5 stories	35' or 2.5 stories

SFD = Single family detached home; MH = manufactured home on individual lot; MH Park = manufactured home park; MF = multi-family housing

Notes:

1. Minimum lot size in the SR and SR-2A zones varies by presence of community water system and/or community wastewater system

**Table 3. Development Code Review Summary, Cities**

<b>Code Provision</b>	<b>Boardman</b>	<b>Heppler</b>	<b>Ione</b>	<b>Irrigon</b>	<b>Lexington</b>
<b>Zones</b>	R zone, with several sub-districts: <ul style="list-style-type: none"> <li>• Future Urban</li> <li>• MH Park</li> <li>• MF</li> <li>• Sunridge Terrace</li> </ul>	R-1 (Limited Res.) R-2 (General Res.) R3 (Residential)	R-1 (Limited Resid.) R-2 (General Resid.) R-3 (Farm Resid.)	R (Residential)	R (Residential) FR (Farm Residential)
<b>Housing Types Allowed<sup>1</sup></b>	SFD, MH, duplex, triplex, townhomes, MH Park (MH Park sub-district only), MF (MF sub-district only)	R1: SFD, MH, ADU (proposed), Duplex (CU) R2: SFD, MH, Duplex, ADU (proposed), MF (CU), Cottage Cluster (proposed) R3: Uses in R-2 allowed outright, plus MHP; Cottage Cluster (proposed)	R1: SFD, MH, Duplex, MF (CU) R2: SFD, MH, Duplex, MF, MH Park (CU) R3: SFD, MH, MH Park (CU)	SFD, MH, Duplex (CU), MH (CU), MH park (CU), Cottage Cluster (CU?)	R: SFD, MH, Duplex (CU), MH Park (CU), MF (CU) FR: SFD, MH, MH Park (CU)
<b>Densities/ Minimum lot sizes allowed<sup>4</sup></b>	SFD/MH: 6,300-8,000 sf Duplex: 8,000 sf Triplex: 9,000 sf Townhome: 3,000 sf MF: 10,000 sf total (no max density)	R-1: 7,000 sf (SF), 8,000 (duplex) R-2: 5,000 sf (SF), 6,000 sf (duplex), 7,000 SF plus 1,000 sf/additional dwelling unit (3 or more units)	R1: 9,000 sf plus 1,000 sf/additional dwelling – 10 acres R2: Same as R-1 R-3: 1 acre	SFD: 6,000 sf Duplex: 7,000 sf MF: 3,000 sf/unit MH park: 3,000 sf/unit	R: 7,500 (SF) 10,000 (duplex); 12,000 / 3,500/ unit (MF) FR: 1 acre (SFD, MH)



<b>Code Provision</b>	<b>Boardman</b>	<b>Heppner</b>	<b>Ione</b>	<b>Irrigon</b>	<b>Lexington</b>
		R-3: same as R-2			
<b>Manufactured home parks</b>	In MHP sub-district	In R-3	R-2 (CU), R-3 (CU)	As a CU	R, FR (CU)
<b>ADU requirements</b>	None	Proposed: Size: 800 sf Number: 1/lot; only with SFD Own: No Design stds: Privacy, entrances	None	None	None
<b>Cottage cluster housing <sup>2</sup></b>	No specific standards	Specific standards proposed	No specific standards	No specific standards	No specific standards
<b>Residential design standards</b>	Yes for all housing types, except SFD	Yes, menu for all SFD, MH, duplexes	None	Yes, for all housing types	Yes for manufactured homes Basic site design standards for CU
<b>Off-street parking requirements</b>	2/unit, all dwellings	2/unit, all dwellings, except: <ul style="list-style-type: none"> <li>No additional proposed for ADUs</li> <li>1-1.5/unit plus guest parking proposed for Cottage Cluster</li> </ul>	2/unit, all dwellings	2/unit for SFD, duplexes 1-2/unit for MF, depending on # of bedrooms None for ADUs	2/unit, all dwellings
<b>Building Heights <sup>3</sup></b>	30-35' or 2.5 stories, except MF is 30 feet or 3 stories	35' all zones	35' all zones	35' all types	R: 25' FR: 25'

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SFD = Single family detached home; MH = manufactured home on individual lot; MH Park = manufactured home park; MF = multi-family housing

Notes:

1. In addition to the uses listed here, most residential zones allow residential homes and/or residential group uses; some also allow assisted living facilities and/or congregate care facilities.
2. Most jurisdictions allow clustering of housing, including in planned unit development or master planned areas; however, most do not allow for "cottage cluster" developments, with smaller dwelling and higher densities than base standards.
3. Height ranges in Boardman refer to flat roofs vs. pitched roofs.
4. Lot sizes in lone must be larger in the absence of a sewer system or water facilities and in the urban growth area or un-platted areas.

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# **Appendix D: Policy and Code Revisions Memo**



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MEMORANDUM

## Policy and Code Strategies – Preliminary Recommendations Morrow County Housing Study

DATE February 5, 2019  
TO Morrow County Housing Study Technical Advisory Committee  
FROM Matt Hastie, and Jamin Kimmel, Angelo Planning Group  
CC Brendan Buckley and Jerry Johnson, Johnson Economics

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### OVERVIEW

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Angelo Planning Group (APG), in partnership with Johnson Economics, is assisting Morrow County with a Housing Study for Morrow County and five of its cities – Boardman, Irrigon, Lone, Lexington and Heppner. The goal of the study is to obtain information about the type, size, location and price of housing required to meet the current and future needs of county residents and to understand the market forces, planning and zoning regulations and local barriers that impact housing development in Morrow County.

As one of the first steps in the study, APG reviewed the housing policies and zoning or development code standards associated with housing and residential development in the County and cities, including a review of each jurisdiction’s Comprehensive Plan and development code. As a follow-up step, APG has identified potential changes to local policies and code requirements to address local housing needs and barriers. These recommendations will be reviewed with the project Technical Advisory Committee and other community members and further refined based on that review.

### COMPREHENSIVE PLAN POLICIES

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APG reviewed each jurisdiction’s Comprehensive Plan to assess whether it includes the following types of supportive policies:

- **Supports Statewide Planning Goal 10.** Comprehensive Plans typically do and should include a general policy that mirrors Statewide Planning Goal 10 (Housing), stating that the overall goal of the jurisdiction is to *“encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.”*

- **Emphasizes affordable housing needs.** Given that meeting the needs of low and moderate income households often requires public intervention or subsidy, it is important to include policies emphasizing the needs of these households.
- **Supports partnerships.** Most Comprehensive Plan housing elements include policies aimed at supporting other public agencies, non-profits and market rate developers who focus on meeting the needs of low and moderate income households and community members with special housing needs.
- **Encourage a variety of housing types.** In addition to a broad goal or policy about meeting a full range of housing needs, Plans often include policies noting the need for a variety of housing types, including single family attached housing, duplexes, triplexes, multi-family housing and townhomes, as well as less traditional forms of housing such as cottage cluster housing and accessory dwelling units.
- **Affirms Fair Housing goals.** Local governments are required to ensure that their housing policies and standards do not discriminate against or have adverse effects on the ability of “protected classes” to obtain housing, consistent with the federal Fair Housing Act.
- **Support for mixed use development.** Some Plans explicitly support the development of mixed use projects, which typically include upper story housing located above retail or commercial uses.
- **Support for accessory dwelling units.** Comprehensive Plans may include policies specifically referencing support for this form of housing. Recent Oregon legislation requires all cities below a certain size to allow for this form of housing outright in all zones where single-family detached housing is allowed.
- **Support flexible zoning.** Some Plans include policies which emphasize the need for zoning to be flexible enough to meet a variety of housing needs and keep costs for such housing down, particularly for housing affordable to low and moderate income households.
- **Address land supply goals.** Many Comprehensive Plans include policies which reference the need to ensure that adequate land is zoned to meet identified housing needs, and to periodically update the jurisdiction’s inventory of such lands.
- **Support development of manufactured homes.** Oregon law requires that all zones that allow for “stick built” single family detached homes also allow for manufactured homes on individual lots. Each jurisdiction must also allow for manufactured home parks in at least one residential zone.
- **Support and encourage maintenance and rehabilitation of existing house.** Members of the project TAC recommended that Comprehensive Plans include this type of policy to help ensure that existing housing stock remains in good condition. Incorporating this type of policy will provide policy-level support for programs related to housing rehabilitation.
- **Balance housing needs with natural resource and natural hazard issues.** Members of the project TAC noted that policies, programs and requirements associated with protecting natural resources and addressing natural hazards can impact the location and cost of housing. It is important to balance and integrate policies and requirements related to both sets of topics.

- **Regulate short term rentals.** Many communities, particularly those with high levels of tourism, regulate short-term rental housing to reduce its impact on the supply and affordability of long-term rental housing. This has not been identified as an issues in the Morrow County communities.

As noted in the previous Policy Review Memo, a majority of the jurisdictions' Plans include policies that address these issues, although some gaps are present. Table 1 summarizes recommended policy amendments for selected jurisdictions to address these gaps. In some cases, local development codes address these issues; however, additional Comprehensive Plan policies are still recommended to provide additional policy support for local regulations.

**Table 1. Comprehensive Plan Policy Update Summary**

<b><i>Policy Amendment</i></b>	<b><i>Morrow County</i></b>	<b><i>Boardman</i></b>	<b><i>Heppner</i></b>	<b><i>lone</i></b>	<b><i>Irrigon</i></b>	<b><i>Lexington</i></b>
<b>Emphasize affordable housing</b>			X			X
<b>Support partnerships</b>			X			X
<b>Affirm Fair Housing goals</b>	X	X	X	X		X
<b>Support mixed use development</b>	X		X	X	X	X
<b>Reference and support ADUs</b>	X	X	X	X	X	X
<b>Support flexible zoning</b>	X		X	X	X	X
<b>Address land supply goals</b>			X		X	X
<b>Support manufactured homes</b>	X	X	X	X	X	X
<b>Maintain, repair existing housing</b>	X	X	X	X	X	X
<b>Balance housing needs with natural resources &amp; hazards</b>	X	X	X	X	X	X

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## ZONING AND DEVELOPMENT CODE STANDARDS

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In addition to reviewing Comprehensive Plan policies, APG reviewed the zoning ordinance or development code for each jurisdiction and summarized information about the following type of standards in the earlier policy review memo. Summary observations include:

- **Residential zones.** Most of the jurisdictions in Morrow County include a range of zones, with most providing for low, medium and high-density zones. Boardman and Irrigon each have one residential designation. Boardman also has several sub-districts within its residential zone; Irrigon does not. While the single zones in those two communities allow for a range of housing types, several types are only allowed as conditional uses. This may be problematic from the standpoint of addressing the state requirements to provide clear and objective standards for needed housing types (now defined as all housing).
- **Housing types allowed.** All jurisdictions allow for a range of housing types. The mix of housing types allowed within the range of zones varies, as does the application of conditional use requirements to specific types of housing. Several changes are recommended, in part to address recent legislation that indicates that all housing types are to be considered needed housing, coupled with existing requirements that require local jurisdictions to provide clear and objective standards for needed housing. In Ione and Lexington, standards will need to address water and sanitary sewer service.
- **Manufactured homes.** This type of housing is allowed outright on individual lots as required by state law in all Morrow County communities. In addition, manufactured home parks are allowed in at least one residential zone in each jurisdiction as required by state law. However, they are allowed only as conditional uses in several jurisdictions which conflicts with the requirements for clear and objective standards for needed housing described above. As a result, code updates are recommended to allow for manufactured home parks as outright allowed uses in several communities.
- **Accessory dwelling units.** These are not allowed in most Morrow County communities, except in Heppner. They should be added to each community's list of allowed uses for single family and potentially other residential zones, with clear and objective standards.
- **Cottage Cluster Housing.** This form of housing is explicitly defined and allowed only in Heppner. It is recommended to be allowed in most other jurisdictions.
- **Densities and minimum lot sizes.** These vary across the communities. Lot sizes and densities appear to be appropriate based on conditions in these communities, including the lack of sanitary sewer facilities in Ione and Lexington and limited water serve in Lexington.
- **Height standards.** These are fairly consistent across the jurisdictions. Changes are recommended to standards in Boardman and Lexington.
- **Off-street parking requirements.** Most communities require two spaces for single-family detached dwellings. Some cities require fewer spaces for other housing types. Modest changes are recommended to help reduce costs associated with off-street parking.



- **Residential design standards.** Several communities apply specific architectural design standards to one or more housing types. No changes are recommended at this time.

Table 2 summarizes potential changes for selected jurisdictions. Additional recommendations may be included in a draft Housing Strategies Report.

Table 2. Potential Development Code Changes

<b>Code Provision</b>	<b>Boardman</b>	<b>Heppner</b>	<b>Ione</b>	<b>Irrigon</b>	<b>Lexington</b>	<b>Morrow County</b>
<b>Housing Types Allowed</b>	Allow ADUs in all zones	Allow ADUs in all zones Allow duplexes on corner lots in R-1 Allow triplexes in R-2	Allow ADUs in all zones Allow MH Parks outright in R-2 or R-3 zone with clear & objective (C&O) standards	Allow ADUs Establish C&O standards to enable allowing a wider range of housing types outright	Allow ADUs Allow MH Parks outright in R or FR zone with C&O standards Allow MF housing outright in the R zone with C&O standards	Allow duplexes as an outright use where they are currently allowed as a CU, applying specific standards Allow MHPs as an outright use in the SR zone
<b>Densities/ Minimum lot sizes allowed</b>	No changes suggested	No changes suggested	No changes suggested	No changes suggested	No changes suggested	No changes suggested
<b>ADU requirements</b>	Allow and establish standards using DLCDC guidelines	No changes suggested	Allow and establish standards using DLCDC guidelines	Allow and establish standards using DLCDC guidelines	Allow and establish standards using DLCDC guidelines	Allow and establish standards using DLCDC guidelines
<b>Cottage cluster housing</b>	Allow and create specific standards	No changes suggested	Allow and create specific standards	Allow and create specific standards	Allow and create specific standards	
<b>Off-street parking requirements</b>	Reduce for MF to 1 – 1.5 spaces per unit	No changes suggested	Reduce for MF to 1 – 1.5 spaces per unit	No changes suggested	Reduce for MF to 1 – 1.5 spaces per unit	No changes suggested

<b>Code Provision</b>	<b>Boardman</b>	<b>Heppner</b>	<b>Ione</b>	<b>Irrigon</b>	<b>Lexington</b>	<b>Morrow County</b>
<b>Building Heights</b>	Increase to 35' for MF housing	No changes suggested	No changes suggested	No changes suggested	Increase to 35' for MF housing	No changes suggested

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## **Appendix E: Heppner Cottage Cluster Code**



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MEMORANDUM

## City of Heppner Cottage Cluster Standards – Example Language Morrow County Housing Study

DATE May 20, 2019  
TO Morrow County Housing Study Technical Advisory Committee  
FROM Matt Hastie, and Jamin Kimmell, Angelo Planning Group  
CC Brendan Buckley and Jerry Johnson, Johnson Economics

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The purpose of this memo is to provide example development code language from the City of Heppner’s proposed cottage cluster development standards. This code language was drafted in an effort to better facilitate cottage cluster development by creating clear and objective standards and allowing for an administrative land use review. The example language is provided below. Other Morrow County jurisdictions are encouraged to adopt and modify the language for their own zoning and development codes.

### 11-11-4. CLUSTER DEVELOPMENT PROVISIONS.

#### A. Purpose.

A cottage cluster development is a small cluster of dwelling units appropriately sized for smaller households and available as an alternative to the development of typical detached single-family and two-family homes on individual lots. Cottage cluster development is intended to address the changing composition of households, and the need for smaller, more diverse, and often, more affordable housing choices. Providing for a variety of housing types also encourages innovation and diversity in housing design and site development, while ensuring compatibility with surrounding single-family residential development. A cottage cluster development is also intended to maintain open space; reduce street and utility construction, and maintenance; separate automobile traffic from residential areas; and reduce site development and housing costs.

#### B. Description.

Cluster Development is a development technique wherein house sites or structures are grouped closer together with the remainder of the tract left in its natural state or as landscaped open space. Clustering can be carried out in the context of a major or minor partition, subdivision, or through a conditional use. It differs from a Planned Development in that it may be done on a

smaller site, does not necessarily have a mixture of housing types and uses, and is done in a unit, rather than planned phases. Cluster Developments may incorporate single-family structures and their associated uses. Steep slopes, stream banks or other sensitive lands should remain in their natural condition, but may be used in density calculations.

### C. Ownership and Parcelization

Cottage cluster developments may be sited on one commonly owned parcel with individual cottages owned in a condominium, cooperative, or similar arrangement, or cottages may be on individual lots with shared amenities and facilities owned in common. Applicants must submit proof that a homeowner's association or other long-term management agreement will be established to ensure the maintenance of development elements in common ownership.

### D. Standards

Cottage cluster developments are subject to the following standards:

1. **Density.** Cottages may be built up to the density established for cottage cluster development in the underlying zone.
2. **Number of cottages.** A cottage cluster development is composed of four (4) to twelve (12) dwelling units.
3. **Cottage design, placement and orientation.** The cottages in a cottage cluster development are subject to the following standards:
  - a. **Maximum floor area.** The gross floor area of each cottage shall not exceed 1,250 square feet.
  - b. **Maximum footprint.** The footprint of each cottage unit shall not exceed 800 square feet, or 1,200 square feet including a garage. A communal garage or parking structure is permitted, and is not subject to the maximum footprint requirements for cottages.
  - c. **Average size.** The average size of all dwellings combined within a cottage cluster development will be less than 1,050 square feet.
  - d. **Maximum height.** The height of each cottage shall be the same as required by the underlying zoning and applicable overlay zoning.
  - e. **Placement.** If cottages differ in size, smaller cottages shall be located adjacent to or in closer proximity than larger cottages to the adjacent public street or River Trail to which the development is oriented.
  - f. **Setbacks.** The setbacks from adjacent property lines along the perimeter of the cottage cluster development shall be the same as required by the underlying zone. The minimum distance between all structures, including accessory

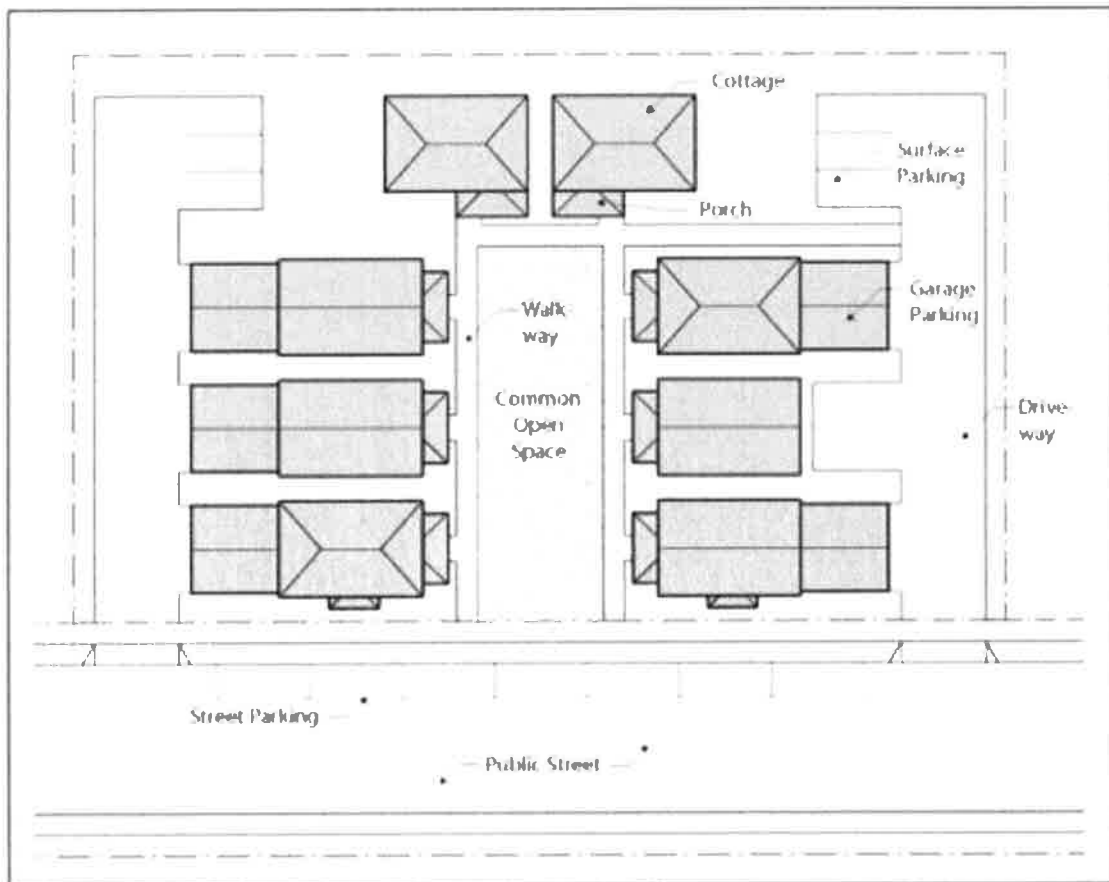
- structures, shall be in accordance with building code requirements (at least six (6) feet spacing between buildings).
- g. Private open space. Each cottage may have private open space for the exclusive use of the cottage residents. Private open space does not count towards the required common open space.
  - h. Orientation of cottages. Cottages shall be clustered around the common open space. Each cottage shall have a primary entrance and covered porch oriented to the common open space. All cottages shall be within 10 feet from the common open space, measured from the façade of the cottage to the nearest delineation of the common open space. Lots in a cottage cluster development are not required to abut a public right-of-way, except that the parent parcel shall have frontage on a public right-of-way.
  - i. Public street facing facades. Cottages abutting a public right-of-way shall have a secondary entrance or a porch, bay window, or other major architectural feature oriented to the public right-of-way. Garage or carport entrances may not face a public right-of-way.
  - j. Porches. Each cottage shall have a covered open porch that shall be oriented toward the common open space and that shall be at least six (6) feet in depth measured perpendicular to the abutting building facade and at least 60 square feet in area.
4. Community buildings. Cottage cluster developments may include community buildings that provide space for accessory uses such as community meeting rooms, guest housing, exercise rooms, day care, or community eating areas. They shall have a footprint of no more than 800 square feet and may not exceed one story in height. Their design, including the roof lines, shall be similar to and compatible with that of the cottages within the cottage cluster development.
  5. Common open space. Cottage cluster developments shall have a common open space in order to provide a sense of openness and community of residents. Common open space is subject to the following standards:
    - a. Each cottage cluster development shall contain a minimum 2,000 square feet of common open space regardless of the number of cottages in the cluster, and not less than 400 square feet of common open space per cottage.
    - b. The common open space shall be in a single, contiguous, useable piece.
    - c. Cottages shall abut the common open space on at least two sides of the open space.
    - d. The design of the common open space shall not use unusable lot area or projections to meet the requirement for common open space. Unusable lot area includes, but is not limited to, foundation landscaping, enlarged or enhanced parking strips or sidewalks, narrow strips of land, or small dead zones of the lot.
    - e. Parking areas, required yards, private open space, and driveways do not qualify as common open space.
    - f. Provisions for the long-term maintenance of open space shall be provided through a homeowners association or other legal instrument.
  6. Parking. Parking for a cottage cluster development is subject to the following standards:
    - a. Minimum number of parking spaces. Cottage cluster developments shall have at least one parking space for each unit with a gross floor area of 700 feet or less

- and 1.5 parking spaces for each unit with a gross floor area of 701 square feet or more (rounded up to the nearest whole number).
- b. Guest parking. Cottage cluster developments shall have at least 0.5 additional guest parking spaces for each cottage in the development, rounded up to the nearest whole number. These spaces shall be clearly identified as being reserved for guests.
  - c. Reduction in number of required parking spaces. The required number of guest parking spaces may be reduced by the number of on-street parking spaces on public streets adjacent to and immediately abutting the cottage cluster development.
  - d. Clustering and parking structures. Parking areas may be arranged in clusters limited to no more than five contiguous spaces. Clustered parking areas may be covered. Up to two (2) carriage house dwelling units are permitted on the second floor of a parking structure, with a maximum of one (1) carriage house dwelling unit per four (4) cottages (rounded to the nearest whole number). Parking structures may or may not be located on the same lot as the cottage they serve. Parking structures shall not be located within a common open space and are required to be screened from view from common open space areas.
  - e. Parking access. Parking areas shall be accessed only by a private driveway or public alley. No parking space may access a public street directly. No parking space may be between a public street and cottages abutting the public street.
  - f. Design. The design of garages, carports, and parking structures, including the roof lines, windows, and trim, shall be similar to and compatible with that of the cottages within the cottage cluster development.
  - g. Screening. Landscaping or architectural screening at least three feet tall shall separate parking areas and parking structures from the common area and public streets. Solid fencing (e.g., board, cinder block) shall not be allowed as an architectural screen.
  - h. Location. Parking can be grouped and located on a separate lot within 100 feet of an edge of the cottage cluster development.
7. Frontage, access, and walkways.
- a. Frontage. The parent parcel shall have frontage on a public street. If individual lots are created within the cluster development, each lot shall abut the common open space, but is not required to have public street frontage.
  - b. Access. No part of any structure shall be more than 150 feet, as measured by the shortest clear path on the ground, from fire department vehicle access, unless the building has a fire suppression system.
  - c. Walkways. A cottage cluster development shall have sidewalks abutting all public streets. A system of interior walkways shall connect each cottage to the common open space, parking areas, private driveways, any community buildings, the sidewalks abutting any public streets bordering the cottage cluster development, and other pedestrian or shared use facilities. Sidewalks abutting public streets shall meet the width requirements established in the Heppner Engineering Design Standards, and interior walkways shall be at least four (4) feet in width.



8. Interior fences. Fences on the interior of the cottage cluster development shall not exceed three (3) feet in height and shall not consist of solid (e.g., board, cinder block) fencing.
9. Existing structures. On a lot or parcel to be used for a cottage cluster development, an existing detached single-family dwelling that may be nonconforming with respect to the requirements of this section may remain, but the extent of its non-conformity may not be increased. Such dwellings shall count towards the number of cottages allowed in the cottage cluster development.
10. Streets and roads will not be used for density calculations, and will conform to city standards. The decision-making body may allow for reductions in street width where the land is steep, the street serves a limited number of dwellings, and off-street parking requirements are met.
11. Conflicts. In the event of a conflict between this Section and other Sections of the Heppner Development Code, this Section shall control.

Illustrations of cottage cluster development layouts.





**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
 (Page 1 of 2)

(For BOC Use)  
 Item #  
 60

**Please complete for each agenda item submitted for consideration by the Board of Commissioners**  
 (See notations at bottom of form)

Staff Contact: Sheree Smith Phone Number (Ext): 5212  
 Department: Health Requested Agenda Date: 08/28/19  
 Short Title of Agenda Item: **OHA Agreement #154659-2 for Environmental Health program**

**This Item Involves:** (Check all that apply for this meeting.)

<input type="checkbox"/> Order or Resolution	<input type="checkbox"/> Appointments
<input type="checkbox"/> Ordinance/Public Hearing:	<input type="checkbox"/> Update on Project/Committee
<input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading	<input type="checkbox"/> Consent Agenda Eligible
<input type="checkbox"/> Public Comment Anticipated:	<input type="checkbox"/> Discussion & Action
Estimated Time:	Estimated Time:
<input type="checkbox"/> Document Recording Required	<input type="checkbox"/> Purchase Pre-Authorization
<input checked="" type="checkbox"/> Contract/Agreement	<input type="checkbox"/> Other

N/A Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity: **Oregon Health Authority**  
 Contractor/Entity Address: **635 Capitol St NE, Room 350, Salem, Or 97301**  
 Effective Dates – From: **July 1st, 2019** Through: **June 30th, 2020**  
 Total Contract Amount: **17.4 % of EH Licensing Fees** Budget Line: **101-114-5-20-3815**  
 Does the contract amount exceed \$5,000?  Yes  No

**Reviewed By:**

Sheree Smith	08/16/19	Department Head	Required for all BOC meetings
	DATE		
<i>[Signature]</i>	8/26/19	Admin. Officer/BOC Office	Required for all BOC meetings
	DATE		
Justin Nelson	via email 8-23-19	County Counsel	*Required for all legal documents
	DATE		
Kate Knop	via email 8-21-19	Finance Office	*Required for all contracts; other items as appropriate.
	DATE		
		Human Resources	*If appropriate
	DATE		

\* Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

**Note:** All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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## 1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):

I have received amendment #2 of the Environmental Contract from OHA which includes a remittance factor to be Invoice to each county, for a percentage of licensing fees collected, to be paid back to the State.

This amendment represents the implementation of a change to the Environmental Health (EH) program, representing a remittance factor to be Invoiced by the state for payment (17.4 % of Licensing Fees) collected. Currently Morrow County contracts for EH services with Umatilla County, but will be held responsible for this additional fiscal burden placed on the program.

Environmental Health is one of the required foundational elements and as such, Morrow County is responsible for ensuring services are delivered directly or through contracted services.

## 2. FISCAL IMPACT:

Remittance costs are paid by Umatilla County Health, on behalf of Morrow County. Therefore this amendment will not result in any fiscal impact to Morrow County as this time.

## 3. SUGGESTED ACTION(S)/MOTION(S):

Following review and preliminary approval of County Counsel, the agreement will be presented to the BOC for approval and signature.

Attach additional background documentation as needed.

**OREGON HEALTH AUTHORITY  
INTERGOVERNMENTAL AGREEMENT  
FOR ENVIRONMENTAL HEALTH SERVICES**

In compliance with the Americans with Disabilities Act, this document is available in alternate formats such as Braille, large print, audio recordings, Web-based communications and other electronic formats. To request an alternate format, please send an e-mail to [dhs-oha.publicationrequest@state.or.us](mailto:dhs-oha.publicationrequest@state.or.us) or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

This **Second Amendment** to Oregon Health Authority Intergovernmental Agreement for Environmental Health Services (as amended the “Agreement”), is between the State of Oregon acting by and through its Oregon Health Authority (“OHA”) and Morrow County Health Department, the Local Public Health Authority (“LPHA”), acting by and through its Health and Human Services Department, each a “Party” and together, the “Parties.”

**AGREEMENT**

1. Section 6, LPHA Responsibilities, Subsection 6.2, is hereby amended as follows: language to be replaced or changed is ~~struck through~~; new language is **underlined and bold**.
  - 6.2 Not later than thirty (30) days following receipt of an invoice from OHA, remit the following licensing fees to OHA:
    - For the tourist facility program, fifteen percent (15 %) of the state licensing fee or fifteen percent (15 %) of the county licensing whichever is less collected by county that quarter, in accordance with ORS 446.425;
    - For the pool facility program, in the amount of \$45, for each license issued by the LPHA in that quarter under ORS 448.035 or such other amount agreed upon by the parties;
    - For the restaurant, bed and breakfast facility, commissary, mobile unit and warehouse licensing programs, a predetermined percentage of licensing revenue. For each biennium, this amount is determined by dividing OHA’s food program costs by the total projected statewide licensing revenue. Statewide revenue is calculated using marker fees set forth in ORS 624.490. The projected food program cost for **July 1, 2019 through June 30, 2020 is \$1,025,276. The total statewide revenue projection for this timeframe is \$5,891,104. The resulting remittance factor is 17.4%. (\$1,025,276 divided by \$5,891,104 = 17.4%)**

**NOTE: This remittance factor is based on statewide licensing fees set forth in ORS 624.490 prior to July 1, 2019. Senate Bill 28 of the 2019 Oregon Legislative Session increased statewide licensing fees effective July 1, 2019. The remittance factor of 17.4% will remain in effect for one year (July 1, 2019 through June 30, 2020). An amendment to this Agreement will address the revised licensing fees for the second half of the biennium (July 1, 2020 through June 30, 2021) as necessary; the 2017-2019 biennium is \$1,537,673. This figure is reduced by existing funds in the food program account (\$350,000). The total projected licensing revenue for all LPHAs for the 2017-19 biennium is \$10,913,165.  $(\$1,537,673 - \$350,000) / \$10,913,165 = 10.88\%$ .**
    - **According to OAR 333-012-0057(1)(g), the annual amount remitted by the Local Public Health Authority in the first year of the biennium may not be less than 35 percent of the total biennial amount; and**

- For the final invoice of a given fiscal year, LPHA may request an invoice in advance of the actual due date and pay the required licensing fees in advance.
2. Except as amended hereby, all terms and conditions of the Agreement remain in full force and effect.
  3. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.
  4. This Amendment becomes effective on the date of the last signature below.
  5. LPHA Data and Certification.
    - a. **LPHA Information.** LPHA shall provide information set forth below. This information is requested pursuant to ORS 305.385.

**PLEASE PRINT OR TYPE THE FOLLOWING INFORMATION:**

**LPHA Name (exactly as filed with the IRS):** \_\_\_\_\_

Street address: \_\_\_\_\_

City, state, zip code: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone: (    ) \_\_\_\_\_

Facsimile: (    ) \_\_\_\_\_

Federal Employer Identification Number: \_\_\_\_\_

**Proof of Insurance:**

Workers' Compensation Insurance Company: \_\_\_\_\_

Policy #: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

The above information must be provided prior to Agreement approval. LPHA shall provide proof of Insurance upon request by OHA or OHA designee.

**b. Certification.** The LPHA acknowledges that the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any "claim" (as defined by ORS 180.750) that is made by (or caused by) the LPHA and that pertains to this Agreement or to the project for which the Agreement work is being performed. The LPHA certifies that no claim described in the previous sentence is or will be a "false claim" (as defined by ORS 180.750) or an act prohibited by ORS 180.755. LPHA further acknowledges that in addition to the remedies under this Agreement, if it makes (or causes to be made) a false claim or performs (or causes to be performed) an act prohibited under the Oregon False Claims Act, the Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against the LPHA. Without limiting the generality of the foregoing, by signature on this Agreement, the LPHA hereby certifies that:

- (1) The information shown in this Section 5, LPHA Data and Certification, is LPHA's true, accurate and correct information;
- (2) To the best of the undersigned's knowledge, LPHA has not discriminated against and will not discriminate against minority, women or emerging small business enterprises certified under ORS 200.055 in obtaining any required subcontracts;
- (3) LPHA and LPHA's employees and agents are not included on the list titled "Specially Designated Nationals" maintained by the Office of Foreign Assets Control of the United States Department of the Treasury and currently found at:

<https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>;

- (4) LPHA is not listed on the non-procurement portion of the General Service Administration’s “List of Parties Excluded from Federal procurement or Non-procurement Programs” found at: <https://www.sam.gov/portal/public/SAM/>; and
  - (5) LPHA is not subject to backup withholding because:
    - (a) LPHA is exempt from backup withholding;
    - (b) LPHA has not been notified by the IRS that LPHA is subject to backup withholding as a result of a failure to report all interest or dividends; or
    - (c) The IRS has notified LPHA that LPHA is no longer subject to backup withholding.
- c. LPHA is required to provide its Federal Employer Identification Number (FEIN). By LPHA’s signature on this Agreement, LPHA hereby certifies that the FEIN provided to OHA is true and accurate. If this information changes, LPHA is also required to provide OHA with the new FEIN within 10 days.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below their respective signatures.

**6. Signatures.**

**OREGON HEALTH AUTHORITY**

By: \_\_\_\_\_  
 Name: Andre Ourso  
 Title: Administrator, Center for Health Protection  
 Date: \_\_\_\_\_

**MORROW COUNTY HEALTH DEPARTMENT LOCAL PUBLIC HEALTH AUTHORITY**

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

**DEPARTMENT OF JUSTICE – APPROVED FOR LEGAL SUFFICIENCY**

Shannon O’Fallon approved via email July 31, 2019.

**REVIEWED BY OHA PUBLIC HEALTH ADMINISTRATION**

By: \_\_\_\_\_  
 Name: Brett Sherry (or designee)  
 Title: Program Manager  
 Date: \_\_\_\_\_



# AGENDA ITEM COVER SHEET

## Morrow County Board of Commissioners

(Page 1 of 2)

(For BOC Use)  
Item #  
6d

**Please complete for each agenda item submitted for consideration by the Board of Commissioners**  
**(See notations at bottom of form)**

Staff Contact: Sheree Smith  
Department: Health  
Short Title of Agenda Item:

Phone Number (Ext): 5212  
Requested Agenda Date: 8/28/19

Pharmacy-Local Public Health Authority MOU

<b>This Item Involves:</b> (Check all that apply for this meeting.)	
<input type="checkbox"/> Order or Resolution	<input type="checkbox"/> Appointments
<input type="checkbox"/> Ordinance/Public Hearing:	<input type="checkbox"/> Update on Project/Committee
<input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading	<input type="checkbox"/> Consent Agenda Eligible
<input type="checkbox"/> Public Comment Anticipated:	<input type="checkbox"/> Discussion & Action
Estimated Time:	Estimated Time:
<input type="checkbox"/> Document Recording Required	<input type="checkbox"/> Purchase Pre-Authorization
<input type="checkbox"/> Contract/Agreement	<input checked="" type="checkbox"/> Other <span style="color: red;">MOU - Pharmacy/PH Collaboration</span>

<input type="checkbox"/> N/A	
<u>Purchase Pre-Authorizations, Contracts &amp; Agreements</u>	
Contractor/Entity: <span style="color: red;">MOU Between Local Pharmacies and Public Health</span>	
Contractor/Entity Address:	
Effective Dates – From: <span style="color: red;">Upon Signature</span>	Through: <span style="color: red;">N/A</span>
Total Contract Amount:	Budget Line:
Does the contract amount exceed \$5,000? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

**Reviewed By:**

<u>Sheree Smith</u>	8/16/19 <small>DATE</small>	Department Head	Required for all BOC meetings
	8/20/19 <small>DATE</small>	Admin. Officer/BOC Office	Required for all BOC meetings
Justin Nelson	via email 8-23-19 <small>DATE</small>	County Counsel	*Required for all legal documents
Kate Knop	via email 8-21-19 <small>DATE</small>	Finance Office	*Required for all contracts; other items as appropriate.
	 <small>DATE</small>	Human Resources	*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

**Note:** All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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## **1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

During many incidents affecting the public's health, pharmacies can play a critical role in effective response. This memorandum of understanding (MOU) provides a framework for timely, effective pharmacy response to public health incidents. Pharmacies can: Distribute and dispense vaccine during communicable disease outbreaks, Dispense antibiotics for treatment or prevention of illness during outbreaks, Assess and meet needs for medication among those displaced by storms, fires or other incidents, and Expand healthcare capacity in a public health emergency by managing therapy for specific conditions under a state-issued treatment protocol (ORS 431A.015).

The MOU helps pharmacies and public health plan effective interventions and work together to meet the needs of the community. The MOU was patterned after a similar agreement in Washington. The Oregon document was developed by representatives of Oregon State Pharmacy Assoc., Oregon Society of Health System Pharmacists, Confer of Local Health Officials, Oregon Board of Pharmacy, and Oregon Public Health Division with broader input from Public health and pharmacy communities.

Currently, about 390 pharmacies have signed on in Oregon, as have about half of Oregon's local health departments.

## **2. FISCAL IMPACT:**

When LPHA provides the medications that are to be dispensed or administered by Pharmacy from a local, state or federal stockpile, it will do so at not cost to the Pharmacy. Pharmacy shall dispense or administer these medications to patients or customers at no charge except for an administration fee not to exceed amount set by OPHD, or under Emerg Federal or State current guidance at that time with fee to be waived if require by then State or Federal Guidance. When Pharmacy provides meds +

## **3. SUGGESTED ACTION(S)/MOTION(S):**

Review MOU Presented and upon approval, sign the MOU for LPHA collaboration with local pharmacy/pharmacies.

**\*** Attach additional background documentation as needed.



## **Pharmacy-Local Public Health Authority Memorandum of Understanding**

Representatives of Oregon State Pharmacy Association, Oregon Society of Health System Pharmacists, Conference of Local Health Officials, Oregon Board of Pharmacy, Oregon Public Health Division and others from the public health and pharmacy communities have worked together to develop this Memorandum of Understanding (MOU) between Pharmacies and Local Public Health Authorities. In this grass roots effort, partnerships continue to expand to protect the whole community, break down barriers and ensure access to medications for Oregonians during emergencies.

### **Purpose:**

During many incidents affecting the public's health, pharmacies can play a critical role in effective response. The MOU provides a framework for timely, effective pharmacy response to public health incidents.

In response to these sorts of incidents, **pharmacies can:**

- Administer vaccine during communicable disease outbreaks,
- Dispense antibiotics for treatment or prevention of illness during outbreaks,
- Assess and meet needs for medication among those displaced by storms or other incidents, and
- Expand healthcare capacity in a public health emergency by managing therapy for specific conditions under a state-issued treatment protocol (ORS 431A.015).

### **What the MOU does:**

- Standardize response across communities
- Provide structure to simplify pharmacy-public health collaboration

### **What the MOU does not do:**

- Require participation by signatories.  
The MOU is not a contract.

The MOU, along with the Operational Guidance that accompanies it, will help pharmacies and tribal and local public health authorities plan effective interventions and work together to meet the needs of the community. To learn more, visit the Pharmacy-Public Health MOU website at: <http://healthoregon.org/phmou>

## **Oregon Statewide Pharmacy – Local Public Health Authority Memorandum of Understanding**

### **ARTICLE I PURPOSE**

The purpose of this memorandum of understanding (MOU) is to utilize existing Pharmacy infrastructure to help address health and medical needs of an affected population during a Public Health Incident, Emergency or Disaster ("Incident"), using coordinated and standardized protocols statewide. The Conference of Local Health Officials (CLHO), Oregon State Pharmacy Association (OSPA), Oregon Society of Health System Pharmacists (OSHP), Oregon Board of Pharmacy (BoP), and Oregon Public Health Division (OPHD) support the development of this MOU.

### **ARTICLE II DEFINITIONS**

- 1) "Administer" has the meaning given that term in Oregon Revised Statute (ORS) 689.005.
- (2) "Dispense" has the meaning given that term in ORS 689.005.
- (3) "Drug" means a drug or vaccine or medical device, or any combination of these terms.
- (4) "Emergency" has the meaning given that term in ORS 401.025.
- (5) "Local Public Health Authority (LPHA)" has the meaning given that term in ORS 431.260.
- (6) "Operational Guidance" is a document containing templates and procedures for MOU implementation, as well as screening forms, tracking requirements, and treatment protocol templates developed pursuant to this MOU.
- (7) "Oregon Public Health Division" (OPHD) means that division of the Oregon Health Authority that is responsible for planning for and responding to a public health emergency.
- (8) "Pacific Northwest Emergency Management Arrangement" (PNEMA) means the compact, ratified in Chapter 25 Oregon Laws 2008, between the states of Alaska, Idaho, Oregon and Washington, the Province of British Columbia, and the Yukon Territory, to provide mutual assistance in an emergency or public health emergency.
- (9) "Pharmacy" means a signatory to this MOU who meets the definition of a pharmacy as defined in ORS 689.005.
- (10) "Public Health Incident, Emergency, or Disaster ("Incident")": Any occurrence, or threat thereof, whether natural or caused by man, in war or in peace, to which an LPHA may respond pursuant to its authority under ORS 431.262, or other applicable law, and that, in the judgment of the LPHA, results or may result in circumstances sufficient to exceed the day-to-day operational capabilities of immediate local or regional public health response.
- (11) "Strategic National Stockpile" (SNS) means the US Government stockpile of antiviral drugs and other drugs and medical supplies that can be made available to a state in an emergency.

### **ARTICLE III PARTICIPATION**

The Pharmacies have a desire to assist the LPHAs in addressing health and medical needs of an affected population during an Incident. The LPHAs and Pharmacies agree that this MOU does not create a legal duty to do so. The LPHAs and Pharmacies agree that any and all actions taken pursuant to this MOU shall be voluntary and in each LPHA's and Pharmacy's sole discretion.

ARTICLE IV  
**HOW TO INVOKE ASSISTANCE**

An LPHA may request assistance of a Pharmacy by contacting the Pharmacy directly or by contacting the BoP. If desired, signatory pharmacies can share with LPHAs contact information for preferred recipients within their organizations of requests for assistance under this MOU. Requests may be verbal or in writing. If verbal, the request shall be confirmed in writing as soon as possible to the extent practical. The process is outlined in greater detail in the Operational Guidance.

ARTICLE V  
**EFFECT OF DECLARATION OF EMERGENCY**

The LPHAs and Pharmacies recognize that state or federal declarations of emergency, or orders related thereto, may supersede the arrangements made or actions taken pursuant to this MOU. Nothing in this MOU should be construed as independent of or bypassing established emergency management procedures, the provisions of county or state declarations of emergencies, or any conditions for the distribution and dispensing of the Strategic National Stockpile (SNS) or administration of vaccines established by the federal or state governments. In a state of declared emergency certain rules of the BoP, contained in OAR Chapter 855 Division 007, will be activated. These rules would broaden the options available to Pharmacies and LPHAs in response to an incident. In a declared emergency, pharmacists and other healthcare volunteers who are enrolled in the state's SERV-OR health volunteer registry are considered agents of the state under ORS 401.651-401.670 for activities within the scope of assigned responsibilities related to the response, and will be afforded workers' compensation and liability coverage. Notwithstanding these effects, the activities under this MOU are not limited to situations in which an emergency has been declared.

ARTICLE VI  
**RESPONSIBILITIES OF LOCAL PUBLIC HEALTH AUTHORITY**

LPHA responsibilities:

- a. Coordinate with OPHD, BoP and/or signatory Pharmacies to ensure statewide consistency with screening forms, tracking, training and other Pharmacy requirements if applicable.
- b. Provide planning, training and technical assistance to Pharmacy, including but not limited to, supply lists, fact sheets, dispensing algorithms, and applicable requirements.
- c. Provide statewide consistent medical screening forms to Pharmacy as guidance for implementing dispensing operations.
- d. Provide a clear description of the mission LPHA is requesting Pharmacy to undertake, including specific information about the population to be immunized or given prophylaxis, specific statewide protocol (standing order) templates to be used, and specific displaced or sheltered populations whose pharmaceutical needs must be met, as well as the vaccine or medication to be used, dosage, route of administration, and follow-up procedures.
- e. Activate community-wide mass vaccination and dispensing plans as necessary.
- f. Notify OPHD of the activation of MOU. Notification may be verbal or in writing. If verbal, the notification shall be confirmed in writing as soon as possible to the extent practical.
- g. Notify Pharmacy that community dispensing plans should be implemented.
- h. Request appropriate amounts and type of medication or vaccine, and available supplies, from local, state or federal sources, including use of SNS resources, or specify that Pharmacy is requested to supply these materials.
- i. Facilitate a discussion with Pharmacy regarding the most appropriate locations for distribution.
- j. Request OPHD to deliver, or have delivered medications to distribution centers as determined by the LPHA in consultation with the BoP and Pharmacy.
- k. With OPHD, modify treatment protocol templates from the Operational Guidance as needed to guide Pharmacy response.

- l. Manage public information activities with regard to the overall health and medical response across the LPHA's jurisdiction.
- m. Provide educational materials, if appropriate, to Pharmacy for the purposes of distributing to all persons in emergencies affecting the public's health.
- n. Provide guidance and criteria to Pharmacy for tracking levels of activity, supplies and inventory, as applicable to the response and consistent across signatory LPHA jurisdictions.
- o. Participate, as appropriate, in mass vaccination or medication dispensing training and exercises, and in exercises to promote emergency response surge capacity as outlined in the Oregon Crisis Care Guidance.
- r. If an Oregon Emergency Response System (OERS) number has been issued by the Oregon Office of Emergency Management for the Incident leading to activation of the MOU, LPHA is encouraged to use the OERS number in communications with emergency management personnel and OPHD.

**ARTICLE VII  
RESPONSIBILITIES OF OREGON PUBLIC HEALTH DIVISION**

OPHD responsibilities:

- a. Coordinate any future updates of this MOU and establish a webpage on which the most current MOU and Operational Guidance are posted,
- b. Oversee development of statewide screening forms and tracking requirements, and make these available to LPHAs as components of the Operational Guidance accompanying this MOU.
- c. Oversee development of statewide treatment protocols that could be used in incident response and make them available to LPHAs in a timely fashion as needed to support response efforts.
- d. Deliver, or arrange delivery of medications to distribution centers as needed, in consultation with the LPHA, BoP, and Pharmacy.
- e. Coordinate public health activities, including collection of information regarding medication administration and dispensing activities, during incidents involving multiple counties.
- f. Determine any limits on administrative fees that can be charged by Pharmacies for dispensing or administration of SNS or other stockpile medications, and disseminate this information.

**ARTICLE VIII  
RESPONSIBILITIES OF PHARMACIES**

Pharmacy responsibilities:

- a. Coordinate with OPHD, BoP, and/or signatory LPHAs to ensure statewide consistency with screening forms, tracking, training, and other Pharmacy requirements.
- b. Comply with Pharmacy standards in effect during the Incident.
- c. Upon receipt of a request for action by an LPHA, determine the Pharmacy's anticipated capacity to respond to the request, including, as appropriate, the approximate number of vaccine or medication doses that could be administered by Pharmacy in a specified time period, the approximate number of displaced persons who could be screened and provided with emergency supplies of medications under provisions of OAR 855-007-0090(1)-(2), or the approximate number of patients that could be accommodated by the Pharmacy under a treatment protocol as outlined in the Operational Guidance; communicate that information to the LPHA.
- d. Identify Pharmacy sites to receive medication deliveries and communicate site locations to the LPHA.
- e. Communicate to LPHAs each site location's scope of Pharmacy practice regarding affected populations, e.g., convey age or prescriptive authority limitations.
- f. Receive and store medication deliveries, consistent with federal, state or local government requirements, at Pharmacy-identified facilities during Incidents.

- g. Ensure that Pharmacy site locations serve the general public.
- h. At Pharmacy's discretion, ensure that its own employees, including those employed by its parent company, and their families, are cared for consistent with public health recommendations.
- i. As appropriate when the BoP emergency rules in OAR chapter 855, Division 7 have been activated, and if agreed to by Pharmacy, oversee participation in response efforts by pharmacists and pharmacy technicians, licensed in other jurisdictions, but participating in response efforts under PNEMA or EMAC, provided that the individual supplies evidence that he or she holds a valid, current, unrestricted, comparable license by another signatory to PNEMA or EMAC in accordance with OAR 855-007-0050(2).
- j. As appropriate, and if agreed to by Pharmacy, oversee participation in response efforts by pharmacists and pharmacy technicians who have had previously inactive licenses re-activated by the BoP in accordance with OAR 855-007-0050(4).
- k. Conduct medical screening of individuals receiving medications, based on guidance provided by LPHA, to identify potential contraindications and complications, and assure dispensing and administration consistent with federal, state and local government requirements.
- l. Allow pharmacists to prescribe and dispense medications under a treatment protocol under authority of a licensed healthcare prescriber or lawful health order issued by a local health officer or an authorized representative of OPHD.
- m. Maintain accurate records of medications dispensed, administered, and remaining inventory.
- n. Maintain and inventory the local, state or federal stock of medications, vaccines and supplies and physically separate them from the regular inventory. The local, state and federal stock cannot be used in place of commercial pharmacy stock at any time. Pharmacy stock may be used as a substitute for the local, state or federal stock and Pharmacy may seek reimbursement for this action, if available, in accordance with the then current state or federal guidance.
- o. Track contact information of individuals receiving medications.
- p. Communicate information regarding medications dispensed, administered, and, for medical countermeasure from a state stockpile or SNS, provide contact information for recipients to LPHA as required by LPHA, through a secure method. [Release of information to public health in this setting is permitted under HIPAA. See Operational Guidance, Section VI., bullet 4.]
- q. Provide educational materials, supplied by LPHA, when possible to all individuals receiving medications.
- r. Participate, as appropriate, in LPHA-sponsored mass vaccination or medication dispensing training and exercises, and in exercises to increase healthcare response capacity as outlined in the Oregon Crisis Care Guidance.
- s. If they choose to, qualified Pharmacy personnel who would take part in response activities under this MOU can register as Emergency Volunteer Workers with the State's health volunteer registry, SERV-OR pursuant to OAR 333-003-0100 to 333-003-0140 and ORS 401.651 to 401.670. In a declared emergency, pharmacy personnel so registered would be considered agents of the state for actions performed as part of response to the emergency, would have liability limited under ORS 30.260 to 30.300, and would be eligible for workers' compensation protection to the extent allowed by Oregon law.

**ARTICLE IX  
RESPONSIBILITIES OF THE BOARD OF PHARMACY**

**BoP responsibilities:**

- a. Develop and maintain an accurate roster of Pharmacies in Oregon that includes contact information for all co-signatory Pharmacies.
- b. Upon request from an LPHA or from OPHD, convey request for assistance under this MOU from the requesting public health entity to the requested Pharmacy or Pharmacies.
- c. With OPHD and other parties to this MOU, develop and review treatment protocol templates to ensure that they are in keeping with relevant Oregon statutes and rules.

**ARTICLE X  
COST AND PAYMENT**

When LPHA provides the medications that are to be dispensed or administered by Pharmacy from a local, state, or federal stockpile, it will do so at no cost to Pharmacy. Pharmacy shall dispense or administer these medications to patients or customers at no charge to the patient or customer except for an administrative fee not to exceed an amount set by OPHD, or under emergency federal or state current guidance at the time. Pharmacy agrees to waive this fee if required by then current federal or state guidance. Pharmacy may also, in its discretion, waive this fee for patients or customers who demonstrate an inability to pay. When Pharmacy provides the medications that are dispensed or administered by Pharmacy during implementation of this Agreement, this restriction shall not apply, and Pharmacy, at its discretion, can bill for services and medications in its usual and customary manner. All other costs incurred by either LPHA or Pharmacy through implementation of this Agreement shall be borne by each respective agency.

**ARTICLE XI  
LIABILITY, INDEMNIFICATION, AND LIMITATIONS**

The Parties acknowledge that if this Agreement has been triggered after a federal public health emergency declaration by the Secretary of the Department of Health and Human Services under the PREP Act, immunity under state and federal law will extend to covered persons involved in dispensing, distributing, and administering countermeasures/prophylaxis under 42 U.S.C.A. §247d-6d. Immunity under the PREP Act does not apply to willful misconduct or acts conducted outside the scope of the declaration.

The Parties further acknowledge that if this Agreement has been triggered after a locally or state declared emergency under ORS 401.165 or ORS 433.441-433.452, a pharmacist who meets the definition of a "qualified emergency service volunteer" under ORS 401.358 or is an emergency healthcare provider under ORS 401.651, who otherwise complies with ORS 401.358 to 401.368 and ORS 401.651 to 401.670, will be considered an agent of the state and will have liability coverage for activities within the scope of assigned responsibilities related to the response. Liability coverage does not apply to gross negligence, willful or wanton misconduct, or acts outside the scope of the assigned responsibilities or not under the direction of the local emergency management organization.

If the provisions of ORS 401.358 to 401.368 and ORS 401.651 to 401.670 do not apply, each party agrees to be responsible and assume tort liability for its own wrongful acts or omissions, or those of its officers, agents or employees to the fullest extent required by law.

Notwithstanding anything to the contrary in this Agreement, once the LPHA has delivered the inventory to the Pharmacy, the LPHA will retain the risk of loss with respect to the inventory unless the loss is the result of the Pharmacy's negligence, gross negligence or intentional act or failure to act.

**ARTICLE XII  
INFORMATION SHARING**

Pharmacy will provide LPHA with information LPHA deems necessary for documentation of the actions taken and services provided under this Agreement, all of which is available under the public health exemption of HIPAA, 45 CFR §164.512(b), and through authorities outlined in ORS 433.004. This information is protected from subsequent disclosure under ORS 433.008. LPHA will advise Pharmacy of the information needed to protect the public health and to prevent or control disease, injury or disability and will only request the information necessary to protect the public health and to prevent or control disease, injury, or disability.

**ARTICLE XIII  
TERM AND TERMINATION**

This Agreement shall become effective immediately upon its execution by any one Pharmacy and one LPHA. After the first two such executions, this Agreement shall become effective as to any other Pharmacy or LPHA upon its execution by such Pharmacy or LPHA. The Agreement shall remain in effect as between each and every Pharmacy and LPHA until participation in this Agreement is terminated by a withdrawing Pharmacy or LPHA by written notice to all of the other signatories to the Agreement. Termination of participation in this Agreement by a withdrawing Pharmacy or LPHA shall not affect the continued operation of this Agreement as between the remaining Pharmacies and LPHAs so long as at least one Pharmacy and one LPHA remain.

Either LPHA or Pharmacy may terminate this Agreement for convenience with written notification to all of the other signatories to the Agreement no less than thirty (30) calendar days in advance of the termination date.

**ARTICLE XIV  
AMENDMENTS**

No provision of this Agreement may be modified, altered or rescinded by any individual Pharmacy or LPHA without the unanimous concurrence of the other Pharmacies and LPHAs. Substantive modifications to this Agreement must be in writing and will become effective upon the approval of the modification by all signatory Pharmacies and LPHAs. Modifications must be signed by each Pharmacy and LPHA. This article does not apply to updating of contact information that may, from time to time, become necessary to ensure current information is available.

**ARTICLE XV  
INDEPENDENT CAPACITY**

The employees or agents of Pharmacy or LPHA who are engaged in whole or in part in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of any other party to this Agreement.

**ARTICLE XVI  
SEVERABILITY**

If any provision of this Agreement or any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

**ARTICLE XVII  
NO THIRD PARTY BENEFICIARIES**

This Agreement is entered into solely for the mutual benefit of the parties to this Agreement. This Agreement is not entered into with the intent that it shall benefit any other person and no other such person shall be entitled to be treated as a third-party beneficiary of this Agreement.

**ARTICLE XVIII  
DISPUTE RESOLUTION**

If a dispute between any parties to this Agreement arises out of or related to this Agreement, or the breach thereof, the parties agree to endeavor to settle the dispute in an amicable manner by direct communication between or among each other before terminating the Agreement.

**ARTICLE XIX  
NOTICES**

Whenever this Agreement provides for notice to be provided by one party to another, such notice shall be in writing and directed to the designated representative of the party.

**ARTICLE XX  
SURVIVORSHIP**

The following clauses survive the termination of this Agreement:

- IX. Liability, Indemnification, and Limitations
- XVI. Severability
- XVII. No Third Party Beneficiaries

**ARTICLE XXI  
OTHER OR PRIOR AGREEMENTS**

If a Pharmacy and LPHA have a prior written agreement that relates to the subject matter of this Agreement, namely, using existing Pharmacy infrastructure to assist in addressing health and medical needs of an affected population during an Incident, including but not limited to mass dispensing of antibiotics, antiviral medications or vaccines to the general public during times of health and medical disasters, then, at such time that said Pharmacy and said LPHA both execute this Agreement, such prior written agreement between them shall become null and void and of no further force and effect. Notwithstanding the above provision in this Article XXI, any Pharmacy and/or LPHA may continue or enter into other agreements with other Pharmacies and/or LPHAs provided such other agreements govern subject matter not governed by this Agreement

**ARTICLE XXII  
GOVERNING LAW**

This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Oregon.



**ARTICLE XXIII  
EXECUTION IN COUNTERPARTS**

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. For purposes hereof, a facsimile copy of this Agreement, including the signature pages hereto, shall be deemed to be an original. IN WITNESS WHEREOF, this Agreement has been executed and approved and is effective and operative as to each Pharmacy and each Local Public Health Authority as herein provided.



**Morrow County**

\_\_\_\_\_  
Company/Agency

\_\_\_\_\_  
Signature

Jim Doherty, Chair, Board of Commissioners

\_\_\_\_\_  
Print Name and Title

**August 28, 2019**

\_\_\_\_\_  
Date

**Oregon Statewide Pharmacy – Local Public Health Authority  
Memorandum of Understanding**

**ARTICLE I  
PURPOSE**

The purpose of this memorandum of understanding (MOU) is to utilize existing Pharmacy infrastructure to help address health and medical needs of an affected population during a Public Health Incident, Emergency or Disaster ("Incident"), using coordinated and standardized protocols statewide. The Conference of Local Health Officials (CLHO), Oregon State Pharmacy Association (OSPA), Oregon Society of Health System Pharmacists (OSHP), Oregon Board of Pharmacy (BoP), and Oregon Public Health Division (OPHD) support the development of this MOU.

**ARTICLE II  
DEFINITIONS**

- 1) "Administer" has the meaning given that term in Oregon Revised Statute (ORS) 689.005.
- (2) "Dispense" has the meaning given that term in ORS 689.005.
- (3) "Drug" in this division of rules, the term "drug" means a drug or vaccine or medical device, or any combination of these terms.
- (4) "Emergency" has the meaning given that term in ORS 401.025.
- (5) "Local Public Health Authority (LPHA)" has the meaning given that term in ORS 431.003(7).
- (6) "Operational Guidance" is a document containing templates and procedures for MOU implementation, as well as screening forms, tracking requirements, and treatment protocol templates developed pursuant to this MOU.
- (7) "Oregon Public Health Division" (OPHD) means that division of the Oregon Health Authority that is responsible for planning for and responding to a public health emergency.
- (8) "Pacific Northwest Emergency Management Arrangement" (PNEMA) means the compact, ratified in Chapter 25 Oregon Laws 2008, between the states of Alaska, Idaho, Oregon and Washington, the Province of British Columbia, and the Yukon Territory, to provide mutual assistance in an emergency or public health emergency.
- (9) "Pharmacy" means a signatory to this MOU who meets the definition of a pharmacy as defined in ORS 689.005.
- (10) "Public Health Incident, Emergency, or Disaster ("Incident")": Any occurrence, or threat thereof, whether natural or caused by man, in war or in peace, to which an LPHA may respond pursuant to its authority under ORS 431.262, or other applicable law, and that, in the judgment of the LPHA, results or may result in circumstances sufficient to exceed the day-to-day operational capabilities of immediate local or regional public health response.
- (11) "Strategic National Stockpile" (SNS) means the US Government stockpile of antiviral drugs and other drugs and medical supplies that can be made available to a state in an emergency.

**ARTICLE III  
PARTICIPATION**

The Pharmacies have a desire to assist the LPHAs in addressing health and medical needs of an affected population during an Incident. The LPHAs and Pharmacies agree that this MOU does not create a legal duty to do so. The LPHAs and Pharmacies agree that any and all actions taken pursuant to this MOU shall be voluntary and in each LPHA's and Pharmacy's sole discretion.

- l. Manage public information activities with regard to the overall health and medical response across the LPHA's jurisdiction.
- m. Provide educational materials, if appropriate, to Pharmacy for the purposes of distributing to all persons in emergencies affecting the public's health.
- n. Provide guidance and criteria to Pharmacy for tracking levels of activity, supplies and inventory, as applicable to the response and consistent across signatory LPHA jurisdictions.
- o. Participate, as appropriate, in mass vaccination or medication dispensing training and exercises, and in exercises to promote emergency response surge capacity as outlined in the Oregon Crisis Care Guidance.
- r. If an Oregon Emergency Response System (OERS) number has been issued by the Oregon Office of Emergency Management for the Incident leading to activation of the MOU, LPHA is encouraged to use the OERS number in communications with emergency management personnel and OPHD.

**ARTICLE VII  
RESPONSIBILITIES OF OREGON PUBLIC HEALTH DIVISION**

OPHD responsibilities:

- a. Coordinate any future updates of this MOU and establish a webpage on which the most current MOU and Operational Guidance are posted,
- b. Oversee development of statewide screening forms and tracking requirements, and make these available to LPHAs as components of the Operational Guidance accompanying this MOU.
- c. Oversee development of statewide treatment protocols that could be used in incident response and make them available to LPHAs in a timely fashion as needed to support response efforts.
- d. Deliver, or arrange delivery of medications to distribution centers as needed, in consultation with the LPHA, BoP, and Pharmacy.
- e. Coordinate public health activities, including collection of information regarding medication administration and dispensing activities, during incidents involving multiple counties.
- f. Determine any limits on administrative fees that can be charged by Pharmacies for dispensing or administration of SNS or other stockpile medications, and disseminate this information.

**ARTICLE VIII  
RESPONSIBILITIES OF PHARMACIES**

Pharmacy responsibilities:

- a. Coordinate with OPHD, BoP, and/or signatory LPHAs to ensure statewide consistency with screening forms, tracking, training, and other Pharmacy requirements.
- b. Comply with Pharmacy standards in effect during the Incident.
- c. Upon receipt of a request for action by an LPHA, determine the Pharmacy's anticipated capacity to respond to the request, including, as appropriate, the approximate number of vaccine or medication doses that could be administered by Pharmacy in a specified time period, the approximate number of displaced persons who could be screened and provided with emergency supplies of medications under provisions of OAR 855-007-0090(1)-(2), or the approximate number of patients that could be accommodated by the Pharmacy under a treatment protocol as outlined in the Operational Guidance; communicate that information to the LPHA.
- d. Identify Pharmacy sites to receive medication deliveries and communicate site locations to the LPHA.
- e. Communicate to LPHAs each site location's scope of Pharmacy practice regarding affected populations, e.g., convey age or prescriptive authority limitations.
- f. Receive and store medication deliveries, consistent with federal, state or local government requirements, at Pharmacy-identified facilities during Incidents.

## **COST AND PAYMENT**

When LPHA provides the medications that are to be dispensed or administered by Pharmacy from a local, state, or federal stockpile, it will do so at no cost to Pharmacy. Pharmacy shall dispense or administer these medications to patients or customers at no charge to the patient or customer except for an administrative fee not to exceed an amount set by OPHD, or under emergency federal or state current guidance at the time. Pharmacy agrees to waive this fee if required by then current federal or state guidance. Pharmacy may also, in its discretion, waive this fee for patients or customers who demonstrate an inability to pay. When Pharmacy provides the medications that are dispensed or administered by Pharmacy during implementation of this Agreement, this restriction shall not apply, and Pharmacy, at its discretion, can bill for services and medications in its usual and customary manner. All other costs incurred by either LPHA or Pharmacy through implementation of this Agreement shall be borne by each respective agency.

## **ARTICLE XI LIABILITY, INDEMNIFICATION, AND LIMITATIONS**

The Parties acknowledge that if this Agreement has been triggered after a federal public health emergency declaration by the Secretary of the Department of Health and Human Services under the PREP Act, immunity under state and federal law will extend to covered persons involved in dispensing, distributing, and administering countermeasures/prophylaxis under 42 U.S.C.A. §247d-6d. Immunity under the PREP Act does not apply to willful misconduct or acts conducted outside the scope of the declaration.

The Parties further acknowledge that if this Agreement has been triggered after a locally or state declared emergency under ORS 401.165 or ORS 433.441-433.452, a pharmacist who meets the definition of a "qualified emergency service volunteer" under ORS 401.358 or is an emergency healthcare provider under ORS 401.651, who otherwise complies with ORS 401.358 to 401.368 and ORS 401.651 to 401.670, will be considered an agent of the state and will have liability coverage for activities within the scope of assigned responsibilities related to the response liability coverage. Liability coverage does not apply to gross negligence, willful or wanton misconduct, or acts outside the scope of the assigned responsibilities or not under the direction of the local emergency management organization. Each party agrees to be responsible and assume tort liability for its own wrongful acts or omissions, or those of its officers, agents or employees to the fullest extent required by law.

If the provisions of ORS 401.358 to 401.368 and ORS 401.651 to 401.670 do not apply, each party agrees to be responsible and assume tort liability for its own wrongful acts or omissions, or those of its officers, agents or employees to the fullest extent required by law.

Notwithstanding anything to the contrary in this Agreement, once the LPHA has delivered the inventory to the Pharmacy, the LPHA will retain the risk of loss with respect to the inventory unless the loss is the result of the Pharmacy's negligence, gross negligence or intentional act or failure to act.

## **ARTICLE XII INFORMATION SHARING**

Pharmacy will provide LPHA with information LPHA deems necessary for documentation of the actions taken and services provided under this Agreement, all of which is available under the public health exemption of HIPAA, 45 CFR §164.512(b), and through authorities outlined in ORS 433.004. This information is protected from subsequent disclosure under ORS 433.008. LPHA will advise Pharmacy of the information needed to protect the public health and to prevent or control disease, injury or disability and will only request the information necessary to protect the public health and to prevent or control disease, injury, or disability.

If a dispute between any parties to this Agreement arises out of or related to this Agreement, or the breach thereof, the parties agree to endeavor to settle the dispute in an amicable manner by direct communication between or among each other before terminating the Agreement.

**ARTICLE XIX  
NOTICES**

Whenever this Agreement provides for notice to be provided by one party to another, such notice shall be in writing and directed to the designated representative of the party.

**ARTICLE XX  
SURVIVORSHIP**

The following clauses survive the termination of this Agreement:

- IX. Liability, Indemnification, and Limitations
- XVI. Severability
- XVII. No Third Party Beneficiaries

**ARTICLE XXI  
OTHER OR PRIOR AGREEMENTS**

If a Pharmacy and LPHA have a prior written agreement that relates to the subject matter of this Agreement, namely, using existing Pharmacy infrastructure to assist in addressing health and medical needs of an affected population during an Incident, including but not limited to mass dispensing of antibiotics, antiviral medications or vaccines to the general public during times of health and medical disasters, then, at such time that said Pharmacy and said LPHA both execute this Agreement, such prior written agreement between them shall become null and void and of no further force and effect. Notwithstanding the above provision in this Article XXI, any Pharmacy and/or LPHA may continue or enter into other agreements with other Pharmacies and/or LPHAs provided such other agreements govern subject matter not governed by this Agreement

**ARTICLE XXII  
GOVERNING LAW**

This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Oregon.

**ARTICLE XXIII  
EXECUTION IN COUNTERPARTS**

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. For purposes hereof, a facsimile copy of this Agreement, including the signature pages hereto, shall be deemed to be an original. IN WITNESS WHEREOF, this Agreement has been executed and approved and is effective and operative as to each Pharmacy and each Local Public Health Authority as herein provided.

Murray Drug Heppner  
Company/ Agency

Ann Murray  
Signature

Ann Murray  
Print Name and Title

7-7-19  
Date

# ROAD REPORT AUGUST 2019

**BLADE PATCHING:** The blade patch crew has made needed repairs on Lone-Gooseberry, Rhea Creek, and Willow Creek.

**SUMMER RAIN STORM:** Repairs and cleanup have been done following a rain storm event on Butter Creek, Little Butter Creek and on roads in Irrigon.

**SUMMER CHIP SEAL PROGRAM:** We are nearing the end of our summer chip seal program which included a short section on Rhea Creek at the Keene and Snyder bridges, and Lone-Gooseberry road. The project will finish on schedule and paint stripping will be placed next week.

**POTHOLE PATCHING:** Crew members have been making pothole repairs around the county as needed.

**GRAVEL ROAD GRADING:** Our Grader crew made needed repairs in various areas to our gravel road system.

**WINTER ROAD DAMAGE REPAIR:** Crew members made repairs to Kenny Rd. allowing us to re-open for the traveling public. The road base is still saturated from this past winter's high precipitation levels but is now safe for travel. Shobe Canyon has also been re-open.

**PERMITS:** Permits applied for during the month of August:

588	Strawberry Lane	NextEra Energy Resources (Wheatridge Wind)	Approach		08/12/2019	08/14/2019
588	Strawberry Lane	NextEra Energy Resources (Wheatridge Wind)	Approach		08/12/2019	08/14/2019
588	Strawberry Lane	NextEra Energy Resources (Wheatridge Wind)	Approach		08/12/2019	08/14/2019
490	Bombing Range Road	Columbia Basin Electric Co-Op	Utility	480v elec line/conduit	08/12/2019	08/14/2019
693	Rhea Creek Road	Columbia Basin Electric Co-Op	Utility	overhead elec	08/12/2019	08/20/2019
693	Rhea Creek Road	Columbia Basin Electric Co-Op	Utility	overhead elec	08/12/2019	08/20/2019
693	Rhea Creek Road	Columbia Basin Electric Co-Op	Utility	overhead elec	08/12/2019	08/20/2019
906	Third Street	Nina Bair	Approach		08/12/2019	08/20/2019